

The Global Newspaper
Printed Simultaneously
in Paris, London, Zurich,
Hong Kong, Singapore,
The Hague and Marseille

WEATHER DATA APPEAR ON PAGE 14

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

No. 31,696

PARIS, WEDNESDAY, JANUARY 16, 1985

ESTABLISHED 1887

Israelis Agree to New Talks

Lebanese to Hear Pullback Plan On Thursday

UNITED NATIONS, New York — The Israeli government has agreed to a new meeting with Lebanese officials to outline a plan for a three-phase withdrawal of Israeli troops from Lebanon, the French president of the UN Security Council said Tuesday.

Claude de Kemourian, the French representative who is chairing the 15-nation council for the month of January, said that the UN secretary-general, Javier Pérez de Cuellar, had informed the Security Council that the meeting would take place Thursday in the Lebanese border town of Naqoura.

The military-level talks being held in Naqoura under UN auspices were broken off by Israel last week after negotiators failed to make progress. The Israeli cabinet thereupon agreed on a unilateral withdrawal plan.

Mr. Pérez de Cuellar met informally with the Security Council on Tuesday. French sources said he told the council that if, in reaction to the Israeli plan, the Lebanese government should propose a redeployment of the United Nations peacekeeping force in southern Lebanon, he would notify the council of the need for action.

The sources said the secretary-general's report was based on a telephone conversation he had earlier Tuesday with Brian E. Urquhart, the UN undersecretary-general for political affairs. Mr. Urquhart flew from Jerusalem to



Yitzhak Shamir

Beirut on Tuesday in an effort to keep Israeli-Lebanese lines of communications open on the withdrawal question.

Mr. Urquhart and his staff have worked out contingency plans for such things as the movement of UN peacekeeping forces into the Sidon area to protect Palestinian refugee camps there once Israeli troops are pulled out. Such a shift would require the approval of the Security Council.

A Lebanese diplomatic source, speaking privately, said that it might be possible for his government to coordinate with Israel on the first phase of the withdrawal without agreeing to the entire plan.

Shamir Criticizes Plan
Earlier Tuesday, Foreign Minister Yitzhak Shamir of Israel charged that withdrawal plans did not contain minimum security guarantees for northern Israel. Reuters reported from Tel Aviv.

Mr. Shamir, who was outvoted Monday night when the cabinet adopted the plan, told state radio that rightists in the government coalition would try to change the withdrawal operation.

Under the plan, Israeli troops in

Reagan to Request 11.7% Reduction In Budget for Arts

By Robert Pear
New York Times Service

WASHINGTON — President Ronald Reagan will soon ask Congress to cut the budget of the National Endowment for the Arts by 11.7 percent, according to administration officials and budget documents prepared by the arts agency.

Its programs to support opera, music and dance would be cut most if Congress approved Mr. Reagan's proposal.

The budget documents show that the president will request \$144.5 million for the arts agency in the fiscal year 1986, \$500,000 more than he sought for the current fiscal year but down from the \$163.7 million appropriated by Congress.

According to the budget documents, the program for opera and musical theater would be cut by 18.3 percent, to \$4.9 million, while the music program would be cut 15 percent, to \$13 million, and dance would be cut 13.5 percent, to \$7.7 million.

Programs to support the visual arts, theater, museums and literature would all be cut more than 10 percent.

The endowment group is by far the largest single source of support for the arts in the United States. It makes 5,000 grants a year.

Senator Claiborne Pell, Democrat of Rhode Island, said when he was told of the budget proposal that the cuts "would create a financial crisis" for many cultural institutions because "the private sector is unable to fill the gap created by cuts in federal support."

Mr. Pell, who helped write the legislation creating the endowment in 1965, said he would oppose the cuts.

In the last four years, Congress has consistently provided more

money than Mr. Reagan requested for the arts agency. Members of Congress said it was difficult to predict what would happen this year because there was intense pressure to reduce the federal budget deficit, which is expected to exceed \$200 billion this year.

The overall 11.7-percent reduction in the arts endowment is comparable to cuts being proposed by the administration for other discretionary spending programs.

Republicans' Wish List
Margaret Shapiro of The Washington Post reported from Washington.

Republicans in the House of Representatives, trying to position themselves as the party of "new ideas," released on Monday a 252-item wish list for the new Congress that endorsed tax simplification, a freeze on U.S. contributions to the United Nations and a minimum length for the school day.

The Republicans called for a constitutional amendment requiring a balanced budget and substantial spending cuts, but ruled out another two of the most commonly suggested methods of achieving it — tax increases and military spending cuts.

They held out for tax simplification in the form of a modified flat tax. But if that fails, the document proposes a variety of new tax credits that would cut the government money. These include breaks for day care, home care for the elderly, and training and hiring of "displaced homemakers."

In foreign relations, the Republican package backed continued financing of rebels fighting the leftist government of Nicaragua and economic and military aid to El Salvador, Honduras, Guatemala, Costa Rica and "friendly South American nations."

The Republicans conceded Monday that many of the proposals, including dozens pushed unsuccessfully by Mr. Reagan in his last four budgets, were likely to go nowhere in the House, where Democrats outnumber Republicans 252-182, with an Indiana seat still vacant.

But the package will show that "the Republicans are interested in laying claim to new ideas," said Representative Jerry Lewis, Republican of California, chairman of the House Republican Research Committee, which drafted the wide-ranging package.

In a partisan introduction, the Republicans asserted that the "new ideas" coming from younger members of the Democratic Party are simply "antiques touched up with varnish and gilt."

The document, titled "Ideas for Tomorrow: Choices for Today," was begun before the November elections, when it appeared that the Republicans might win enough seats to take de facto control of the House.

More moderate than the platform adopted by the Republican Party at its presidential nominating convention in August, the document sidesteps the subjects of abortion and school prayer. At the same time, it refers to the United States as a "minority coalition," the rallying cry used by the Reverend Jesse L. Jackson, a Democrat, in his presidential primary campaign.

Mr. Lewis said that some items mentioned in the party platform were not included in the "Ideas" package because, "I didn't want some people's choice of sensational headlines on these controversial issues to weigh down the effort to highlight these new ideas."

The House minority leader, Robert H. Michel of Illinois, and others said that House Republicans were unlikely to agree to a freeze this year on cost-of-living adjustments for the Social Security program of retirement benefits and disability payments. Senate Republicans are considering such a freeze as part of a deficit-reduction package.

Mr. Reagan, who campaigned for re-election on the promise that he would not cut Social Security, said last week that he would consider the cost-of-living freeze if it were supported by a strong bipartisan coalition in Congress.

Among other proposals in the document are: A "pay-as-you-go" system that would require that a new program have a source of funding, such as user fees, or be financed by cuts in an existing program; presidential line-item veto power over appropriations bills, and adoption of the Reagan administration's enterprise zone legislation, which would provide breaks to businesses that locate in depressed areas.

On defense, the package proposed funding for development of the Stealth bomber, continued deployment of the MX nuclear missile, upgrading of Minuteman missiles, research and development of the Midrange missile and acquisition of 99 B1 bombers by the 1988 fiscal year.

Tax Bills Introduced

The Senate and House have met two days this year, and of the 528 bills proposed in the House and

Belgium To Delay Missiles

Reagan Is Told Decision Could Await Elections

By John M. Goshko
Washington Post Service

WASHINGTON — Belgium, in a blow to U.S. hopes of stationing medium-range nuclear missiles in Europe as quickly as possible, has told President Ronald Reagan that it will not begin deploying its share of the missiles in March as planned and could delay a decision on deployment until after the Belgian elections in December.

That, Belgian officials said Tuesday, was the upshot of the White House meeting Monday at which Mr. Reagan failed to convince a wavering Prime Minister Wilfried Martens to adhere as closely as possible to the March deployment schedule.

Instead, Mr. Martens' insistence that he needs more time to make a decision appeared to undercut the public assertions of U.S. officials that they remained "optimistic" about Belgium's acceptance of the missiles.

That left Reagan administration officials trying Tuesday to put the best face on the situation by contending that there had not been a firm decision to begin Belgian deployment in March. They also said that Mr. Martens had told Mr. Reagan that Belgium remained committed to NATO's 1979 decision to deploy the missiles by the end of 1987 unless the Russians agreed to reduce their arsenal.

U.S. officials want fast action by Belgium to show that Washington's partners in the North Atlantic Treaty Organization are united on the missile question, thereby strengthening the U.S. hand as it prepares for new arms-control negotiations with the Soviet Union.

At their Geneva meeting last week, Secretary of State George P. Shultz and the Soviet foreign minister, Andrei A. Gromyko, agreed that medium-range missiles in Europe would be one of the three types of weapons covered by the talks. The Reagan-Martens meeting marked the first post-Geneva test of NATO's resolve to press ahead with deployment in Western Europe of 572 U.S.-made cruise and Pershing-2 missiles.

However, the best that Mr. Reagan could get was Mr. Martens' promise that his government will decide its next move by the end of March. Belgian officials said later that even if Mr. Martens does set a deployment timetable in March, it will have to pass debate in the Belgian parliament. They added that Mr. Martens might decide to postpone a decision until after the Belgian national elections scheduled for December.



Tancred Neves takes office March 15 as Brazil's president.

Neves Elected In Brazil

New President Promises Reform Of Constitution

By Jackson Diehl
Washington Post Service

BRASILIA — Tancred Neves, the opposition candidate, won election Tuesday as Brazil's first civilian president after 21 years of military rule.

The country's Electoral College, in a 3½-hour session, gave Mr. Neves 480 votes to 180 for the only

other candidate, Paulo Salim

Machado. The military-backed Social Democratic Party. Twenty electors in the 686-seat body were absent, and six voided their votes.

Mr. Neves, 74, a congressman and a prime minister in the last democratic government before the military's 1964 coup, was elected formally to a six-year term and will retain the exceptional powers held by President João Baptista Figueiredo.

However, Mr. Neves promised Tuesday to promote a constituent assembly to reform the constitution and is expected to convene direct popular elections for a successor in 1988. "I call you to a great constitutional debate," he said in a speech following the vote. "We acted within the imposed rules exactly so as to revoke them and destroy them."

Mr. Neves, a centrist leader of the Brazilian Democratic Movement Party, was supported by an alliance of opposition parties as well as dozens of defectors from the government party.

In his speech after the vote in the central chamber of the Congress, Mr. Neves described his victory as the product of a national consensus and promised a reformist government.

"I come in the name of reconciliation," he said. "I came to promote change, political change — real, effective, courageous, irreversible change."

Before the Electoral College began voting, Mr. Macho told the assembly that he felt "victorious because my candidacy guaranteed the democratic process."

Brazil's 130 million people had no direct participation in the election. The outgoing military government, which permitted open congressional elections in 1982, refused to accept a popular vote for president. The Electoral College is made up of members of Congress and delegates from state legislatures.

But Mr. Neves' candidacy ap-

(Continued on Page 2, Col. 7)

Rightist Angels on U.S. Shoulder Christian Fundamentalism Comes of Political Age

By Kathy Sawyer
Washington Post Service

WASHINGTON — In 1980, Ronald Reagan, then a presidential candidate, told them, "I endorse you." In the years since, conservative Christians, commonly called the "religious right" or the "new Christian right," have settled like an angel of conscience on the nation's right shoulder, redefining the terms of public debate.

They speak of receiving messages from the Lord as matters of fact as those of another American subculture speak of getting in touch with their feelings.

The spotlight now shines on their faith because, unlike traditional fundamentalists, who shunned politics and concentrated on salvation, the new-style conservative Christian activists have become involved in the hurly-burly of secular social and political fights.

With the Reverend Jerry L. Falwell's organization, the Moral Majority, in the vanguard, they have campaigned for conservative candidates and heavily lobbied Congress on a wide range of "family issues."

They advocate the outlawing of abortion, seek stricter laws against pornography and oppose the Equal Rights Amendment and liberalized laws guaranteeing civil rights for homosexuals. They are particularly active in education issues, favoring classroom prayer, tuition tax credits for private religious schools and opposing the busing of children for racial balance.

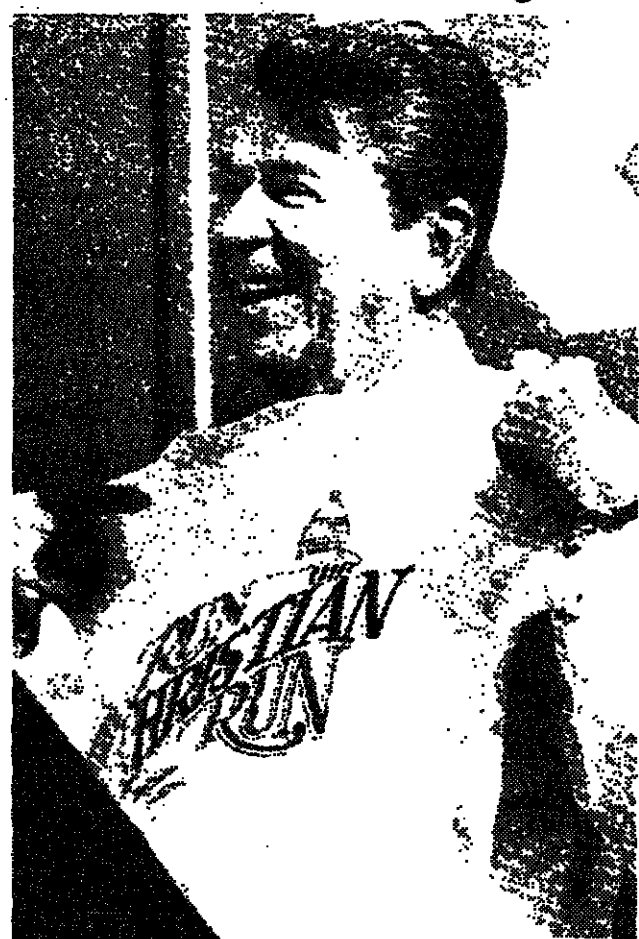
Conservative Christians readily acknowledge that their faith makes them suspect in the minds of many of their co-workers and neighbors, who stereotype their kind as bigoted, redneck, often illiterate Bible-thumpers out on the fringes of American secular life.

In the years following the civil rights crusades and other social upheavals of the 1960s, when it became unpopular to speak ill of blacks and other minorities, the Christian right remained almost the only minority that was socially acceptable to ridicule.

As the nation opens its eyes to them in the 1980s, however, it finds that they are the family up the street, huge in number, diverse and securely entwined in society's mainstream.

In the age of hydrogen bombs and computer dating, "born-again" Christians who take the Bible as God's literal truth account for at least one-fifth of the U.S. population, or about 35 million adults, concentrated in the South and rural Midwest, according to polling experts. Most of them, 85 percent by one estimate, are white.

They subscribe to a rich diversity of doctrinal interpretations, but what unites most conservative Christians is their belief in the divinity of Jesus Christ and in the literal truth of the Bible, their



President Ronald Reagan, during the 1984 election campaign, with a T-shirt that reads: Run Christian Run.

"symbol of certitude" from Eden to Armageddon.

In a society groping for answers in a jungle of moral ambiguity, they seem unambiguously certain that they have found "the answer."

At the core of this movement is a "transitional group" of aspiring lower- and middle-class families on the move from a traditional rural past to the economically promising but often terrifying cities of the New South, sociologists say.

They look to their new-style churches for more than what the old Bible Belt churches could provide — to serve as a cultural bridge, to shelter them and to give them voice in a secular Babel.

Their movement sounds the warning that American society, founded on the revolutionary principle of religious freedom, has moved beyond the mere separation of church and state to the banishment of religion and values from public life, a dilemma described starkly by one theologian as "the naked public square" where anything goes.

"I believe the Judeo-Christian ethic is what we're dealing with — not a movement of wild-eyed conservatives," said Larry Lea, young pastor of the fundamentalist Church on the Rock east of Dallas, one of the fastest growing congregations in the country.

"What has gripped this society is a returning to roots."

"The country is much more fundamentalist than I think is generally realized," said George Gallup, the pollster, who took a special interest in religious questions.

According to his polling, 44 percent of all the people in this country believe in creationism — that God created man during the last 10,000 years. About one-third of the population can be called literalists who believe the Bible is literally true, word for word," he said. "It seems amazing, but it's true."

Conservative Christians are a more complex group than is commonly understood, according to those who study them. Defining them is not easy because the terms are in flux, blurry and overlapping, and are themselves a matter of dispute. Many, if you ask, simply say they are "good Christians."

It is impossible to generalize without stepping on someone else's definition, but a sampling of religious and political scholars outlined several broad types:

● Fundamentalists: Tend to emphasize doctrine and belief, read the Bible literally, traditionally have been uneasy with the secular world. They include some who call themselves "devil sepa-

Supreme Court Expands Power to Search Pupils

The Associated Press

WASHINGTON — The U.S. Supreme Court, calling drug use and violent crime in public schools "major social problems," gave school officials Tuesday more legal power to search students.

The court ruled, 6-3, that public school teachers and administrators do not need court warrants nor the same justifications that police officers need before searching a student.

Searches of students are justified "when there are reasonable grounds for suspecting that the search will turn up evidence that the student has violated or is violating either the law or the rules of the school," Justice Byron R. White wrote for the court.

One of the dissenters, Justice John Paul Stevens, said the decision allowed searches for "even the most trivial school regulation."

"For the court," Justice Stevens said, "a search for curlers and sun glasses in order to enforce the school dress code is apparently just as important as a search for evidence of heroin addiction or violent gang activity."

The court unanimously ruled that school officials, like police officers, must adhere to the U.S. Constitution's ban on unreasonable searches and seizures. In other words, students have some constitutionally protected privacy rights.

But six members, led by Justice White, said that teachers do not have to meet the "probable cause" standard that is applied when a court judges whether a police search was reasonable.

"The substantial need of teachers and administrators for freedom to maintain order in the schools does not require strict adherence to the requirement that searches be based on probable cause to believe that the subject of the search has violated or is violating the law," Justice White said.

"Rather, the legality of a search

of a student should depend simply on the reasonableness, under all the circumstances, of the search," he said.

The court cautioned school officials against "excessively intrusive" searches.

Justice White noted that "maintaining order in the classroom has never been easy." He added that in recent years "school disorder has often taken particularly ugly forms: Drug use and violent crimes in the schools have become major social problems."

Prior to Tuesday's ruling, many school officials had expressed the hope it would strengthen the position of teachers to maintain discipline in schools. Numerous school systems, especially those in big cities, have adopted random searches, the use of metal detectors, and, in some cases, strip searches to seek out weapons and drugs.

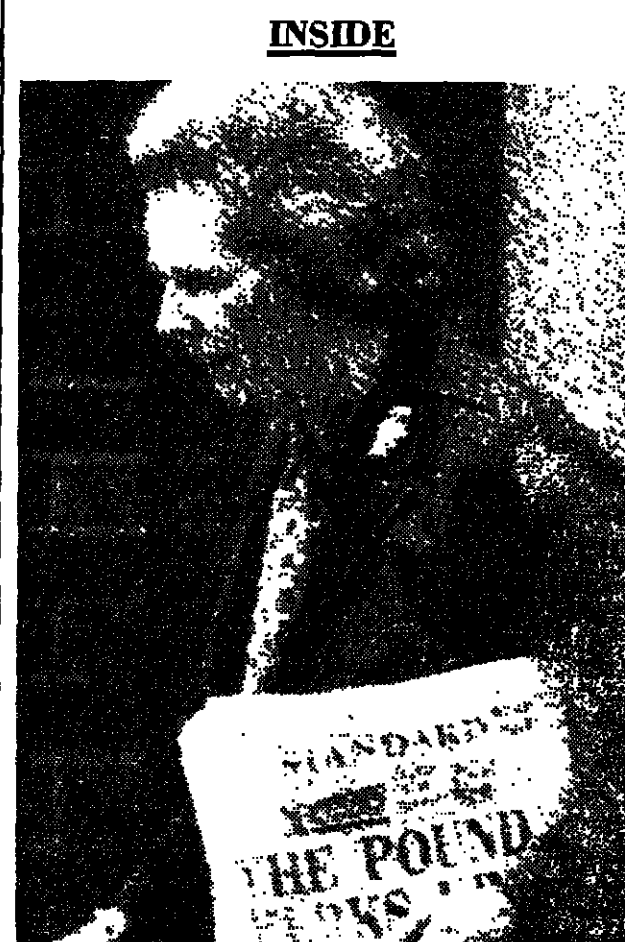
The violence appeared to reach a peak in the late 1970s, the National Education Association reported last year. A U.S. government study in 1978 showed that 282,000 students and 2,500 teachers were assaulted in school each month.

Although figures show a decline in school violence after that year, the problem has continued, especially in large cities.

Tuesday's ruling reinstated a delinquency finding against a former Piscataway, New Jersey, high school student who four years ago, at the age of 14, admitted to selling marijuana to fellow students.

An assistant vice principal found the marijuana while searching the girl's purse after she was caught smoking cigarettes in a school rest room. The girl eventually was tried as a juvenile, found to be delinquent and sentenced to one year probation.

The New Jersey Supreme Court overturned the delinquency finding, after ruling that the girl's constitutional rights against unreasonable searches had been violated.



GOOD NEWS FOR THATCHER — Prime Minister Margaret Thatcher carried a newspaper Tuesday reporting that the pound rallied. She dismissed charges that her government mishandled the crisis. Page 9.

■ Angola asked the United Nations for relief to save 627,000 victims of drought and war. Page 3.

■ Senator Helms' call for a stock takeover of CBS is seen as unlikely to bring conservative pressure on the coverage of news. Page 3.

BUSINESS/FINANCE
■ U.S. industrial production increased 0.6 percent last month, the largest rise in the last five months. But retailers recorded a 0.1-percent decline in sales, the first in four months. Page 9.

TOMORROW
Computer science is becoming such a popular major at U.S. colleges that some schools must limit admissions.

France Plans Private Television System Similar to Britain's

By Axel Krause
International Herald Tribune

PARIS — Bowing to increasing public pressure, President François Mitterrand is expected to announce on Wednesday how he plans to establish commercial television stations to compete with the three state-controlled channels.

The aim is to establish a system similar to that in Britain, where both public and private television operate.

Mr. Mitterrand disclosed on Jan. 4 his intention to permit private groups to establish television operations but provided no details. He was expected to be questioned about the issue during a Wednesday television interview devoted to domestic issues.

According to senior government officials, Mr. Mitterrand's decision was a response to pressures from within his cabinet, from large media interests, municipalities and illegal "pirate" television stations that have proliferated throughout France.

Establishment of a private sector in television would be the first step in ending the state monopoly over French television established after World War II. It follows the government's decision in 1982 that allowed about 1,000 private radio stations to operate alongside the state-controlled radio network.

There has been increasing pressure to free French radio and television from government control. On Dec. 8, about 100,000 young people demonstrated against a temporary ban on operations of some private FM radio stations in Paris. "It showed us how sensitive the issue is," said a media adviser to Mr. Mitterrand.

Many private television stations already have transmitted programs illegally but have been closed down quickly by police. The private groups seek the establishment of local, regional or national networks that would rely on advertising revenue.

Although many details have not been decided, the government plans a system under which both private and government-controlled television could operate, possibly as early as next year.

"From the president on down, we are decided on deregulating and creating a place for the private sector in French TV," said the Mitterrand adviser, adding that the model was Britain's system.

The British Broadcasting Corp. was granted a monopoly over radio broadcasting in Britain in 1927 and it later was extended to cover television. That monopoly was ended in 1955 when the government permitted the establishment of the Independent Television Authority, an association of regional independent stations. Private radio stations were allowed to begin operations in the early 1970s.

"What we still do not know is how to bring it all together," said an adviser to Prime Minister Laurent Fabius. The adviser emphasized that the government wanted to maintain its "historical" role in television.

The French government plans to maintain three networks under state control and continue support for several government-backed projects, such as the building of a new television satellite and a 60-billion-franc (\$6.18 billion) plan to provide cable service to at least four million homes, hotels, banks and other outlets in the 1990s.

The plan-cable would provide subscribers with access to computerized information services and a dozen more television channels, which are expected to be both public and private.

An indication that the government plans to proceed slowly surfaced on Monday when Mr. Fabius said he was naming a lawyer and consultant, Jean-Denis Bredin, to prepare a study on privatization. Mr. Bredin is expected to submit his recommendations within three months.

"We are not rushing into this plan because there are certain risks and uncertainties we want to examine thoroughly first," the Fabius adviser said.

The official noted that the government still planned to launch in July 1986 a satellite that would be able to transmit programs over three new television channels, two of them government-controlled and one private.

However, one of the participants, Cie. Television Luxembourg, a private television company based in Luxembourg, has threatened to withdraw from the satellite project if the government allows a private national network. CIL then would become a candidate for one of the new private stations.

Canal Plus, the government-backed pay television channel, also would become a candidate should the government allow a network financed by advertising. Canal Plus, established as a fourth station last November, is financed directly by subscribers.

"This could mean giving up what we have worked so hard to obtain," said one Canal Plus executive, "but the fact that new advertising would be involved has changed a lot of the thinking."

Under the current system, the government restricts advertising revenues of the three state-controlled networks to about 27 percent of their annual financial resources. Last year, that totaled almost 3 billion francs.

Advertising executives estimate that if French television were privatized, that amount would double or possibly triple. Government officials said the volume would increase so that advertising now going to the three government channels would not be affected.

"There is enormous, unexploited potential, and most of our clients, including big multinationals, are interested in taking advantage of what the government may be planning," said Robert Aptaker, vice president and general manager of Marsteller SA, the French subsidiary of Marsteller Inc., a large U.S. advertising agency. "But we would like to know what the government is planning specifically."

About 50 cities, including Paris, have requested government permission to establish local private stations. Many of the cities already have established joint venture companies with private interests, mainly publishing companies and banks, that want to develop programs and advertising for the new stations.

Several dozen small private stations could embarrass the government, particularly with the approach of parliamentary elections in the spring of 1986, if they resume transmission.

"What are we going to do in the next few months if the illegal operators start sending? Send in riot police?" said the Mitterrand media adviser. "We cannot afford to do that."

WORLD BRIEFS

Beijing Student Dispute Is Resolved

BEIJING (APF) — Authorities at a Beijing university have announced a compromise with students on a dispute over educational stipends that had led students to defy a ban on putting up wall posters.

Observers said the university's response to the protest was consistent with a slight loosening of controls on the freedom of expression that has followed recent economic reforms.

The student protest centered on the university's carrying out of an Education Ministry directive eliminating monthly stipends of 18 yuan (slightly more than \$6) during winter and summer breaks. Under the compromise, some of the money saved by the elimination of the stipends will go to needy students.

Taiwan Arrests Own Agents in Killing

TAIPEI (Reuters) — Taiwan announced Tuesday it had arrested an unspecified number of its own military intelligence agents and suspended the head of the agency, General Wang Hsiang, in connection with the murder of a dissident Taiwanese author in California last year.

The government did not disclose how many agents were being held. It said a special committee had been set up to investigate the agency, which is subordinate to the Defense Ministry.

Henry Liu, who frequently criticized Taiwan's president, Chiang Ching-kuo, was shot by three persons outside his home in Daly, California, Oct. 15. The statement said, "The government is deeply shocked by the involvement of our intelligence officials in Liu's murder."

16 Sanctuary Activists Indicted in U.S.

TUCSON, Arizona (AP) — Sixteen people, including a Protestant minister, two Roman Catholic priests and three nuns, were charged Monday in a federal indictment with conspiring to transport illegal aliens from Central America in an effort to provide them sanctuary in the United States.

The church-sponsored sanctuary movement, which began in Tucson and has spread across the United States, has worked to bring Central American refugees, mainly from El Salvador and Guatemala, into the country.

Members of the movement contend that the 1980 Refugee Act allows legal asylum for refugees who are fleeing political oppression and violence. The U.S. government contends that most people leaving these countries do so for economic reasons and thus are ineligible for special status.

West Germans File Anti-Pershing Suit

KARLSRUHE, West Germany (UPI) — Six persons filed suit in West Germany's highest court Tuesday, alleging that the U.S.-made Pershing-2 nuclear missile is a danger to civilians.

Prompted by Friday's accident with a Pershing rocket in which three U.S. soldiers were killed, they filed a joint suit with the Constitutional Court in Karlsruhe saying the weapon contravenes the constitutional provision that every citizen enjoy "inviolability" and "the right to life."

A Bremen law professor, Wolfgang Daubler, said the suit, brought by four lawyers, a judge and a policeman, was based on the safety record of the Pershing-2. He said he would argue that the rocket posed the same danger to civilians as an unsafe nuclear power station. A U.S. Army spokesman on Monday said the cause of the accident at a training ground north of Stuttgart was an unexplained spontaneous ignition of a motor.

CIA Analyst Defends CBS Program

NEW YORK (LAT) — A former CIA analyst, Sam Adams, has told a U.S. jury here that General William C. Westmoreland caused a "massive falsification" of intelligence during the Vietnam War by imposing a ceiling upon the numbers of enemy troops.

Ending two days of testimony Monday as a witness for CBS in the retired general's libel suit, Mr. Adams insisted that the network's disputed 1982 documentary, "The Uncounted Enemy: A Vietnam Deception," was a careful and "accurate reflection of what went on."

The intelligence community, he said, tried to fool the American people about the strength of U.S. adversaries in Vietnam, but "wouldn't fool ourselves. It explains in part how we managed to lose this war." The CBS documentary in 1982 contended that General Westmoreland, as U.S. troop commander in Vietnam, was part of a conspiracy to underestimate enemy strength so it would appear that the war was going better for the United States than was the case.

U.S. Said to Plan Aid to Mozambique

WASHINGTON (AP) — The United States is opening a "limited" military aid relationship with Mozambique, reflecting what officials say is a major improvement in U.S. relations with the country over the past two years.

U.S. officials, who spoke only on condition they not be identified, said that the administration is planning \$1 million in nonlethal military assistance for Mozambique in the 1985 fiscal year and an additional \$150,000 for training Mozambican military forces.

"We seek to develop a limited military relationship with Mozambique," said Robert Bruce, a spokesman in the U.S. State Department's bureau of African affairs. Until recently, the former Portuguese colony was considered a loyal ally of Moscow.

For the Record

Yuri Kolesnikov, an aide to the cultural attaché at the Soviet Embassy in Madrid, has been expelled from Spain, sources at the Foreign Affairs Ministry said Tuesday. They gave no reasons for his expulsion. (AP)

The world chess champion, Anatoli Karpov, and his challenger, Gary Kasparov, agreed Tuesday to a draw in the 41st game of their match. Mr. Karpov, who leads 5-1, needs only one more victory to retain the championship. Play is to resume Wednesday. (AP)

A Senate ethics panel report Tuesday cleared Senator Mark O. Hatfield, Republican of Oregon, of any wrongdoing in his wife's acceptance of \$55,000 from a Greek oil tycoon, Basil Tsakos, saying "no one witness" testified there was corruption involved. (UPI)

Last of Asylum-Seekers Leave Prague Embassy

By William Drozdiak

Washington Post Service

BONN — The last six of as many as 160 East Germans who occupied West Germany's embassy in Prague in an attempt to gain passage to the West abandoned their sit-in Tuesday and returned home by train.

Their departure, which came a day before an offer of immunity from prosecution by East German authorities was to expire, ended a four-month ordeal that frustrated and embarrassed the governments of both Germany.

Heinrich Winkler, Bonn's minister for intra-German relations, said that he now expected East Germany to relax curbs on exit visas for hundreds of thousands of East Germans reportedly seeking to emigrate.

He added that those who participated in the occupation would be allowed to go to the West "within a reasonable period."

More than 35,000 East Germans were permitted to go to the West last year, far more than at any time since the Berlin Wall was built in 1961. But the pace of emigration slowed drastically in recent months as the East German government emphasized its determination to resolve the embassy siege without bowing to the refugees' demands for guaranteed exit visas.

Wolfgang Vogel, an East Berlin lawyer who acted as a mediator on behalf of Erich Honecker, the East German leader, said Tuesday that the six remaining East Germans left the Prague embassy "of their own free will" and will apply to emigrate through legal channels.

He warned against any new occupations.

"I warn very solemnly and emphatically against any kind of attempt at repetition," said Mr. Vogel, who has handled most refugee transactions for his government. "No one shall be able to reproach me for not having made this sufficiently clear."

West German officials have repeatedly urged East Germans not to occupy diplomatic missions. Chancellor Helmut Kohl's government has issued frequent appeals on West German television, which reaches about 70 percent of East Germany's 17 million citizens, contending that such actions jeopardize orderly emigration and strain the delicate ties between the two Germans.

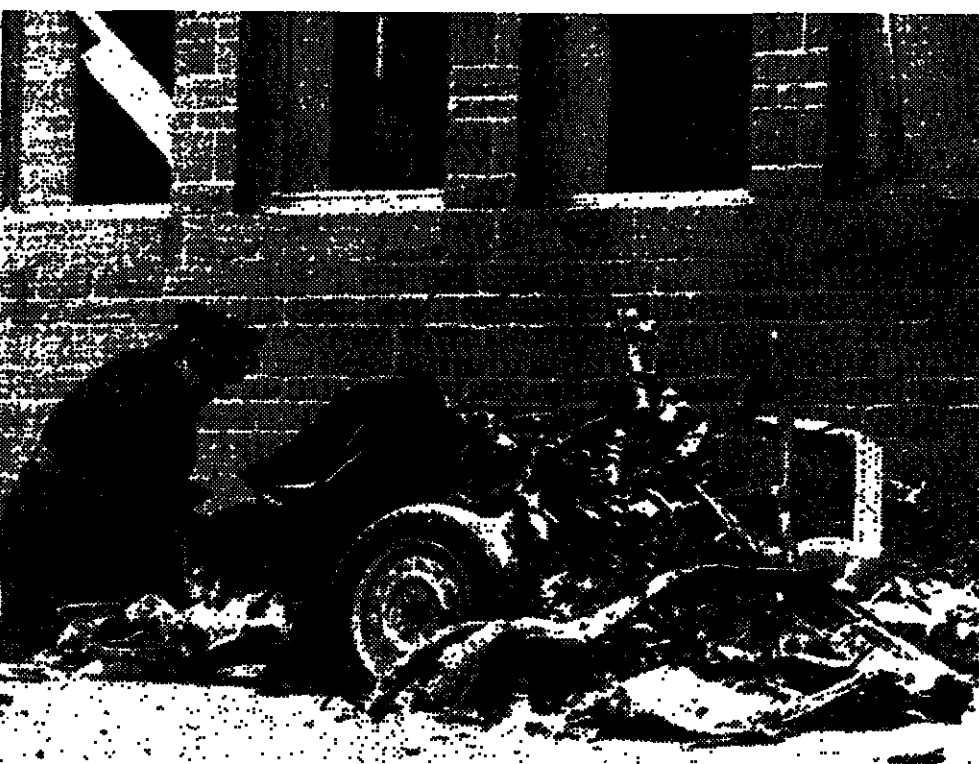
Last year, more than 60 East Germans obtained exit visas by occupying the U.S. Embassy and the West German diplomatic mission in East Berlin.

In October, the Bonn government declared that it was closing its embassy in Prague because the building was full.

West German officials attributed the rush into the Prague embassy to fears among East Germans that legal emigration channels were about to be closed.

West German officials said that more than 350 East Germans passed through the Prague embassy during the four-month occupation, with new arrivals replacing those who eventually left.

The West German government does not recognize a separate East German nationality, offering a passport and citizenship to all Germans.



A Belgian policeman inspected the wreckage of a car bomb that exploded Tuesday outside a U.S. Army building in Brussels. The Fighting Communist Cells claimed responsibility.

German and French Guerrilla Groups Announce Joint Anti-NATO 'Front'

Reuters

PARIS — Two major urban guerrilla groups in France and West Germany are joining forces with the aim of attacking North Atlantic Treaty Organization targets, according to a document received here Tuesday.

In a statement sent to Reuters in Paris, the two groups, West Germa-

ny's Red Army Faction and France's Direct Action, said they were forming a joint "political-military front in Western Europe" with NATO as its main target.

An officer of the Criminal Brigade at Paris police headquarters, which is responsible for keeping track of urban guerrilla activities, said he had not heard of the statement but added: "It certainly is of great interest to us. We will be checking further." He declined to say more.

The Red Army Faction and Direct Action have claimed responsibility for several murders and gun and bomb attacks in their respective countries in the past several years, mostly against Western defense personnel and installations.

The Red Army Faction also has targeted bankers and businessmen; Direct Action has attacked rightists and Israelis.

The German group's activity was at its most intense in the 1970s, when Hannes-Martin Schleyer, a West German business leader, was kidnapped and killed; Jürgen Ponto, head of the Dresdner Bank, was shot to death, and a Lufthansa Airlines plane was hijacked to Mogadishu, Somalia.

Direct Action came to prominence in France in 1980 with a series of attacks against government buildings, and more recently, bomb attacks in Paris.

Police have defined occasional links between various guerrilla groups in Western Europe, but Tuesday's statement was an unusual public declaration of an intention to join forces.

"Attacks against the multinational structures of NATO, against its bases and its strategies, against its plans and its propaganda, constitute the first large mobilization," the statement said.

In October, a Belgian group calling itself the Fighting Communist Cells claimed responsibility for several bomb attacks against companies it said were involved in producing U.S. cruise and Pershing-2 nuclear missiles.

In Bonn, an Interior Ministry spokesman said that security experts assumed there was cooperation between international terrorist groups, but he said he had no knowledge of a specific link between the French and West German organizations.

U.S. Building Bombed
The Fighting Communist Cells claimed responsibility for a car bomb explosion Tuesday that heavily damaged a U.S. Army support building less than a mile from NATO headquarters. The Associated Press reported in Brussels.

Police said that two U.S. military police guards were slightly injured by flying glass. The bombing was the eighth in Belgium in four months.

In a statement received by the Brussels newspaper, Le Soir, the group claimed links with the Red Army Faction and warned of further actions that could "wound or kill Yankee military and their accomplices."

Tourism Grows in Northern Ireland Despite IRA Activity, Board Says
The Associated Press

BELFAST — Tourism has become one of the few growing industries in Northern Ireland despite the violent struggle of the outlawed Irish Republican Army against British rule, according to the Tourist Board.

More than one million visitors are expected in 1985, compared with 940,000 last year, the board said Sunday. About 430,000 of all the visitors in 1984 were from the Irish Republic, south of the border partitioning the island, and 400,000 were from the British mainland.

A board spokesman said that American tourists to Ireland who were previously too frightened to travel north now are crossing the border "in coachloads."

He said that 60,000 Americans and Canadians visited Northern Ireland last year, an increase of nearly 20 percent over 1983.

"Tourism is rapidly recovering in spite of the violence," the spokesman said. "The scenic beauties of Northern Ireland are second to none and once visitors sample what this country has to offer, they keep coming back."

Soviet Media Focuses on Chernenko
MOSCOW (Reuters) — The Soviet press kept President Konstantin U. Chernenko before the public Tuesday after the postponement of a meeting of the leaders of the Warsaw Pact renewed diplomatic speculation about the state of his health.

All the main dailies gave front-page prominence to the foreword to a Polish edition of writings by Mr. Chernenko. The foreword to Mr. Chernenko's book, "Questions of the Work of the Party and State Apparatus" was also carried fully by Tass and was the lead item in Monday's television news.

Western dailies said Mr. Chernenko's health seemed the only likely reason for Monday's announcement that the meeting, due to begin Tuesday in Sofia, had been put off indefinitely. The Soviet leader, who is 73, is thought to have emphysema, and doctors said he has been advised to avoid severe cold and trips by plane.

U.S. Tracking Big Satellite From Soviet

By Wayne Biddle

New York Times Service

WASHINGTON — The Soviet Union recently launched one of the largest satellites in the history of its space program, a device that required special tracking efforts by the U.S. Air Force, according to a spokeswoman for the North American Aerospace Defense Command.

The spokeswoman, Kay Cormier, said Monday that the satellite "had to bring in extra specialists" to follow the satellite after its launching on Sept. 28. She said that there was no precedent for the extensive maneuvering the satellite accomplished once in orbit.

"We assume it was launched on a Proton booster," said Marcia Smith, an expert on Soviet space programs at the Congressional Research Service of the Library of Congress. The Proton rocket is the largest operational Russian booster, capable of lifting 50,000-pound (22,700-kilogram) cargoes into low orbits around the Earth.

The U.S. space shuttle can put about 32,000 pounds into a position similar to that reached by the Proton-launched satellite in September. The Proton is comparable to the Titan-3 boosters used by the U.S. Air Force to launch communications and reconnaissance satellites.

Mrs. Cormier said that the Soviet satellite, designated Cosmos-1603, is in a roughly circular orbit about 528 miles (852 kilometers) high. Its orbit is inclined 71 degrees from the Equator, she said, which would enable it to make frequent passes over the United States.

Israelis Agree to New Talks; Beirut to Hear Pullback Plan

(Continued from Page 1)

western Lebanon would pull back from the Awali River to positions in the Litani-Nabatiye region, about 15 kilometers (9 miles) from the border, within five weeks. They would give up the populous Sidon area, scene of almost daily hit-and-run attacks on the army.

On Monday, two Israeli soldiers were killed in bomb attacks in the south, hindering Israel's total losses to 607 deaths since it invaded Lebanon in June 1982.

■ Gemayel Meets Russian

President Amin Gemayel of Lebanon invited the Soviet ambassador, Alexander Soldatov, for a working lunch Tuesday, hours before discussing security arrangements for southern Lebanon with

United Nations officials. United Press International reported from Beirut.

Lebanese government sources said the Gemayel-Soldatov meeting, while planned before Israel announced a decision to withdraw from southern Lebanon, would concentrate on "bilateral relations, regional developments and conditions in the occupied territories."

■ Moderate Shiite Stain

A Shiite Muslim resident of southern Lebanon who advocated cooperation with Israeli occupation forces was killed Tuesday in his home in Nabatiye, according to Israel's state radio. The Associated Press reported from Tel Aviv.

The man, identified as Ismail Zein, was shot at close range by several people who entered his home, the radio said. In an interview with the radio last week, Mr. Zein said that if Israeli troops pull out of Nabatiye, violence will erupt among feuding Lebanese factions, the report said.

■ Egypt Welcomes Withdrawal

Egypt welcomed Tuesday the Israeli decision to withdraw from Lebanon as a "step forward on the right track," and hoped it was not just cosmetic, UPI reported from Cairo.

Foreign Minister Esmat Abdel Meguid said that Egypt hoped the decision would "allow the Lebanese government to spread its control over all the Lebanese territories."

"Apartheid exists not because of a few South African political leaders," said Mr. Weicker. "It exists because a whole world, and that includes us, tolerates it by silence."

He said there was no difference between the silence that "envelops" the plight of black South Africans and the silence "which wasted yesterday's European Jew."

The liberal Republican senator was charged with demonstrating within 500 feet (152 meters) of an embassy, a misdemeanor. More than 650 people — including 16 Democratic members of the House of Representatives — have been arrested in Washington and elsewhere since protests against apartheid began at the embassy on Nov. 21.

In a separate action, the FDA is seeking to halt the sales of drugs sold as aphrodisiacs without prescription, saying that such products have not been proven safe and effective. It urged those suffering from "decreased libido and impaired sexual performance" to seek professional treatment rather than to "self-medicate."

WASHINGTON — The Food and Drug Administration has proposed a ban on the sale of all non-prescription drug products sold to prevent or reverse baldness. It called the products an "area of considerable consumer fraud," and said that there is no scientific evidence that such lotions and creams work.

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Angola Seeks UN Relief to Save 627,000

UNITED NATIONS, New York — Angola has asked the UN disaster relief agency to help save 627,000 people in its central and southern provinces who are suffering because of drought and the aftermath of fighting with guerrillas and raids by South African forces.

A report issued here Monday by the agency, the Office of the United Nations Disaster Relief Coordinator, said 500,000 of those people were in the plateau regions of Huila, Namibe, and 127,000 in Huila, Cuvana, Kwanza, Oshana, and the south.

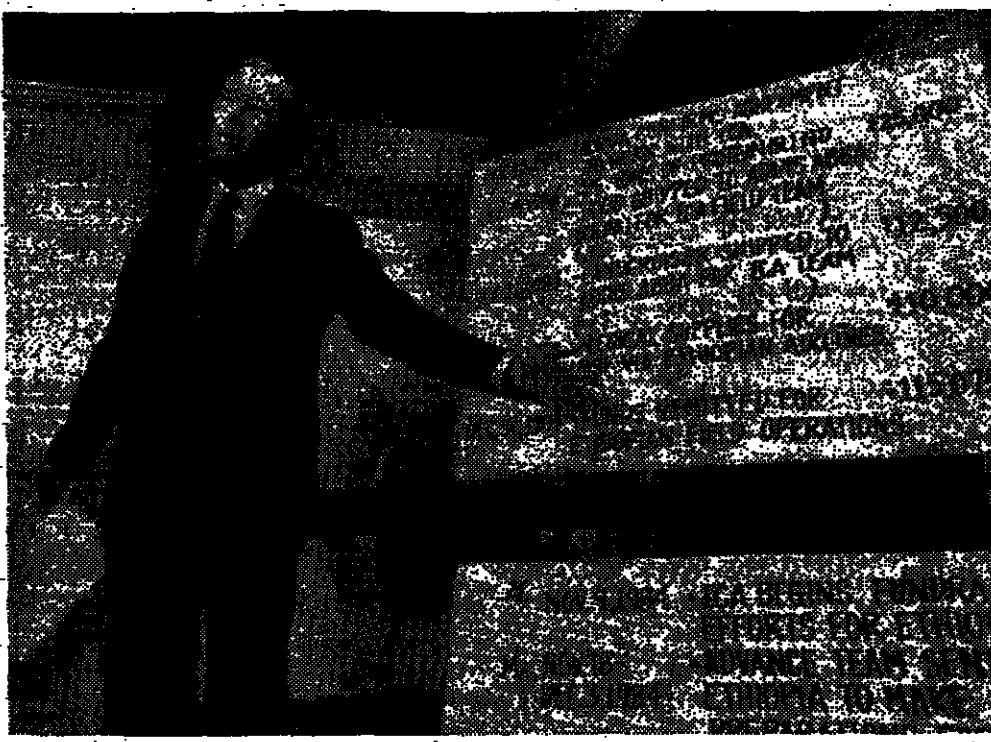
The report said the Angolan government's concern was fully shared by international relief bodies operating in the country.

The situation, the agency said, was most difficult in the plateau area, because precarious security made it dangerous to send supplies by land, and that had aggravated food shortages.

The World Food Program is operating a three-month plan sending supplies worth \$1.3 million via South-West Africa to Lubango, Matola and Kipanga in the south, the report said. It noted that the Angolan government had a pilot reconstruction plan for the southern provinces, where the economy has suffered because of fighting, but was waiting for the complete evacuation of South African troops.

Loss of Funds Denied
Robert Lindsey of The New York Times reported earlier from Los Angeles.

L. Joe Bass, founder of the International Christian Aid organization, denied Monday that his group had misappropriated millions of dollars in donations meant for victims of famine in Ethiopia. He said his



L. Joe Bass, founder of the International Christian Aid organization, denying that his group had misappropriated millions in donations meant for the victims of the famine in Ethiopia.

organization had become the target of a "witch hunt."

"There are no missing millions. There is no missing money," Mr. Bass said at a news conference.

Mr. Bass's group in recent months has mounted an extensive TV appeal for famine victims and is the subject of investigations by U.S. state and local district attorneys. He said the group had raised just \$251,487 in the last two months of 1984 and \$83,000 this year.

Overall, he said his organization had raised \$34 million in the 1983

fiscal year, which he said was spent on various aid programs in the Third World, fund-raising, administration and unspecified Christian religious missionary work.

An agency of the Better Business Bureau, in an analysis of the organization's spending in 1983, concluded that only 41 percent of its income was devoted to programs cited in its fund-raising solicitations.

Last week Nello Panelli, International Christian Aid's director of communications, said that because the Ethiopian government had not

permitted it to provide aid there directly, it was instead channeling aid through a French organization, Doctors Without Borders. Subsequently, the director of the French group said that it had received not "one centime" from International Christian Aid.

Monday, Mr. Bass asserted that his group had shipped \$10 million in medicine to it on Dec. 22. He said he could not explain why Doctors Without Borders had denied receiving any help, other than to speculate that the medicine was still in transit. "It's been shipped," he said.

Official Says More May Die In Ethiopian Derailment

By Clifford D. May
New York Times Service

ADDIS ABABA, Ethiopia — Ethiopian rescue officials said Tuesday that all those injured in the derailment of a train on the Addis Ababa-Djibouti line were now receiving medical treatment and that the bodies of the deceased had been removed from the scene of the accident.

According to government reports issued Monday, 392 people were killed and 370 injured when the train plunged from a bridge outside the Ethiopian town of Awash on Sunday. It was nearly seven hours before rescue workers learned of the accident and managed to reach the victims.

Of those injured, some were said Tuesday to be in critical condition. "The death toll may be higher," said Girma Kidane, an Ethiopian Red Cross spokesman, "but the latest figures are not known yet."

An investigation into the cause of the derailment was continuing Tuesday. Several Ethiopian officials said they suspected that the train tumbled on to the bridge at high speed, creating a whiplash effect that threw the rear car from the track and pulled the three others with it.

Mr. Girma said that contrary to earlier reports, only four of the five cars of the train fell 35 feet (about 10 meters) from the bridge into a ravine.

"This is the worst train accident in the history of our country," said Teferra Shiwel, secretary general of the Ethiopian Red Cross, after visiting the crash site.

Helms Call for Stock Takeover of CBS Seen as Unlikely to Affect News Policy

By Robert Shogan and Tom Redburn
Los Angeles Times Service

WASHINGTON — Senator Jesse A. Helms' call for a national campaign to buy stock in CBS Inc. and bring conservative pressure to bear on its news coverage is unlikely to give conservatives control over the network or even significant influence over its news policies, financial analysts and media leaders say.

Many analysts and political experts suggested, instead, that the proposed campaign appears to be aimed more at gaining publicity and funds for the causes supported by Senator Helms than at taking financial control of CBS, which the North Carolina Republican calls "liberally biased" and "the most anti-Reagan network."

Senator Helms, in a five-page letter to be mailed Jan. 21 to 1 million households, asks conservatives not only to buy stock in the network but also to send money to an organization called Fairness in Media.

The letter, disclosed last week by the News and Observer in Raleigh, North Carolina, said the group needs \$277,000 "to produce TV and radio ads and send letters to urge other conservatives to purchase CBS stock."

Analysts say it would cost \$1 billion or more to buy one-half of CBS's nearly 30 million shares of stock, now valued at about \$75 a share, and such an attempt would face a legal obstacle course of government regulations.

"Nobody is going to get control of CBS through a cockamammy scheme like this," Tony Hoffman, director of corporate finance for



Senator Jesse Helms

the investment banking company of Crain and Co. of New York, said Monday. "It's very definitely has no chance, which leads me to suspect that it's just a brilliant fund-raising gimmick."

Benjamin C. Bradlee, executive editor of The Washington Post — like CBS a frequent target for criticism by conservatives — dismissed the notion that the threat of a takeover would affect CBS's news operations. "I think it's pretty much of an empty gesture," he said. "It's not going to affect CBS. You know, the Moonies announced they were buying stock in the Post a while back. Well, I don't think that put the fear of God into us, do you?"

Reed Irvine, chairman of the board of Accuracy in Media, a private press group that monitors the press, said the impact of the Helms plan depended on how much CBS stock he could persuade conserva-

tives to buy. "If you get a significant amount," Mr. Irvine said, "it would probably reinforce the tendency that already exists for some of the media to re-examine their status and the reasons why they have lost public esteem."

A spokeswoman for CBS declined to go beyond the network's statement of last week in which it said it "reports the news accurately and fairly" and vowed to maintain the independence and integrity of its news organization.

Shaun Sheehan, senior vice president of the National Association of Broadcasters, pointed out that at CBS and other networks the news operations are insulated from overall corporate management, precisely to avoid stockholder influence.

CBS has about 29.7 million shares outstanding, owned by about 24,000 shareholders. According to information compiled by Paul Kagan, an investment consultant in Carmel, California, about two-thirds of CBS stock is owned by institutional investors such as pension funds, insurance companies, and large investment firms.

The single largest owner of CBS stock is William S. Paley, the founder of the company, who owned 6.55 percent, or just under two million shares, as of February last year.

Analysts estimated that CBS could cost as much as \$130 a share in a takeover attempt, which means that Senator Helms' group might have to raise almost \$2 billion to buy half of the company's stock.

Although the CBS network is not regulated by the government, the Federal Communications Commission, according to analysts, would have to approve any group trying to acquire more than 10 percent of CBS stock.

Italian Gun To Replace Colt .45 As Sidearm of U.S. Army Officers

WASHINGTON — The U.S. Army has decided to supply its military officers with Italian-made Beretta pistols, replacing the Colt .45-caliber automatic pistol that has been the army officers' standard sidearm since 1911.

The choice of the Beretta 9mm weapon, announced Monday by the Pentagon, is an intense competition spurred by a 1978 survey by the U.S. House Appropriations Committee that found a proliferation of various types of pistols and ammunition among the armed services despite the army's preference for the Colt.

When the army chose the Italian company of Fabbrica d'Armi Pietro Beretta SpA, only one other company was in the running, a Pentagon statement said. That company, Mauser of Switzerland and West Germany, produces the Sig-Sauer pistol.

Colt Industries of Hartford, Connecticut, took itself out of the running because it would be unable to meet the army's delivery schedules, an army spokesman said.

By shifting to a 9mm weapon, the U.S. military will adopt pistols and ammunition compatible with those used by other North Atlantic Treaty Organization countries.

The Pentagon said that Beretta would be awarded a five-year contract to manufacture 315,930 weapons to supply the U.S. Army, Navy, Air Force, Marine Corps and Coast Guard. The army, which is handling the purchase for the other services, said that the overall price would be more than \$50 million.

Brazil's Neves: A Grandfather Figure to Steer a Course of Conciliation

By Alan Riding
New York Times Service

BRASILIA — When Tancredino Neves became governor of Minas Gerais on March 15, 1985, he is in good health and looks younger than his years, but he nonetheless projected the image of a grandfatherly figure who promises decency and fairness and who demands hard work and responsibility.

In reality, he is less stern, although he rarely smiles. When pressed, he describes himself as a "left-of-center reformer," but his instinct is one of cautious pragmatism, much as Brazilians would expect of a mineiro, a man from Minas Gerais.

"The mineiro temperament is reflective," he once explained, as if providing a self-portrait. "He abhors radicalism, he's eminently conciliatory, he's a man of the

currents in the country had turned the indirect election into a form of popular acclamation.

In this, his age seemed to serve him well. He will be 75 when he takes office on March 15. He is in good health and looks younger than his years, but he nonetheless projected the image of a grandfatherly figure who promises decency and fairness and who demands hard work and responsibility.

The real test of his negotiating skill, though, will come once he is in office. He has made few promises beyond that of consolidating Brazil's democracy, yet his critics charge that he has become all things to all people.

From leftist intellectuals to gasoline station owners, his supporters may soon be looking for rewards. In his favor, he comes to power

with enormous good will and a lifetime of political experience.

Born in the mountain town of São João del Rei in Minas Gerais on March 4, 1910, Tancredino de Almeida Neves was one of 12 children in a family of shopkeepers. He studied in the state capital of Belo Horizonte, but returned home in 1932 to practice law. In 1938, he married the former Risetoletta Guimarães, with whom he had three children, all of them adults now.

He soon became involved in local and state politics and, in 1951, was elected a federal deputy. Only in 1953, though, did he become a national figure when appointed justice minister by President Getúlio Vargas. He resigned the following year after the president committed suicide, but the brief contact with the populist figure of Mr. Vargas would benefit him throughout his career.

In the late 1950s, he became president of the state-owned Banco do Brasil under President Juscelino Kubitschek. But when the next president, Jânio Quadros, abruptly resigned in August 1961, Mr. Neves' political skills were once again in evidence as he helped persuade the army to allow the left-leaning vice president, João Goulart, to take over.

Part of the deal involved curbing the new president's powers through appointment of a prime minister. Mr. Neves himself assumed that post, but he then dedicated himself to preparing the referendum under which presidential authority was subsequently restored. He stepped down in 1962, but he was still identified with the government when Mr. Goulart was removed by the army in March 1964.

Unlike most opposition politicians, however, he was not stripped of his political rights. Over the next 15 years, he served as a federal deputy in a Congress that, while limited in its powers, was the only

forum where criticism of a succession of military regimes could be voiced.

By 1979, a political *abertura*, or opening, had begun. With Mr. Neves elected senator for Minas Gerais, differences between "moderates" and "radicals" within the opposition's broad-based Brazilian Democratic Movement surfaced.

For two years, Mr. Neves even joined a new more conservative Popular Party. But by the time he ran for governor of Minas Gerais this party had collapsed and he once again carried the main opposition banner.

In his home state, he remained a popular figure, but he did not distinguish himself as a dynamic governor. During the recent election campaign, his opponent, Paulo Salim Maluf of the ruling Democratic Social Party, tried to exploit the fact that, in both legislative and executive positions, Mr. Neves had rarely shown himself to be a man of daring initiatives.

But Mr. Maluf was never able to make these points directly. He repeatedly challenged Mr. Neves to a televised debate which, in true mineiro style, was never rejected and never took place. As the strong front-runner, Mr. Neves preferred to travel the country collecting support rather than assume the risks of spelling out his positions in detail.

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Christian Fundamentalism Comes of Political Age in the U.S.

(Continued from Page 1)

...who do not want to associate even with other Christians who are much involved with the secular world.

• **Evangelicals:** May accept fundamentalist doctrine, but tend to emphasize the act of conversion and its importance and the role of taking the message to others. Generally, they are considered more worldly, more concerned with social policy. They may be liberal or conservative.

• **Charismatics:** May accept fundamentalist doctrine, but tend to emphasize the immediate, emotional manifestation of the spirit — jumping, shouting, waving their hands in praise, speaking in tongues and faith healing. Adherents include old-line Pentecostals, but also a more modern, younger, better-educated group whose practices differ in degree and emphasis.

The temples of conservative Christianity range from a primitive Baptist church in rural South Carolina, which prohibits music, dancing or card playing, to huge edifices such as the Crystal Palace of a television evangelist, Robert Schuller, near Los Angeles, or the First Baptist Church of Dallas, which provides almost total life support for its members.

For those who share their basic beliefs, including the down-and-out, the sick and the troubled, conservative Christians tend to provide the kinds of familial warmth, support and "good works" that are considered the essence of Christian love. However, the rest of humanity, they say, is lamentably bound for hell.

Christians have termed their harsh intolerance of all who reject their beliefs as a hate-filled "moral Mo-

carthianism," with strains of anti-Semitism and racism.

The direct impact of the New Right political-religious coalition and of controversial leaders such as Mr. Falwell is a matter of debate. But observers on all sides agree that the broader masses of the Christian right have played a significant role in revising public debate and forcing Americans of every stripe to re-examine the most fundamental questions of ethics and morality.

The movement is riding a tide of influence that sometimes has made it appear more unified and threatening than it really is, according to both critics and supporters.

The election and re-election of the most conservative president of the modern era — "the most evangelical president since the Founding Fathers," as he also has been called — is a part of this tide. So is the ripening of a new generation of media-savvy preachers. And so is a widespread public recoiling over a spectrum of social ills.

"I think America is ready to consider repentance of its sins," said Pastor Tom Vestal of the politically active Mt. Olive Baptist Church in Raleigh, North Carolina, which has grown fivefold in the last six years. "It's a great time to be a Christian."

There is, of course, nothing new about religious activism on either the right or the left. The original colonies were born in reaction to a world in which statecraft was churchcraft, and the country has had a delicate time refining its experiment in religious pluralism since.

There were the abolitionist preachers who helped found the Republican Party, the religious fervor that led to Prohibition and the preachers in the forefront of civil rights, the anti-war movement and other crusades since the 1950s.

The fundamentalists fell off the national screen for a time, some thought for good. The main perception of the conservative Christian movement was for decades embodied primarily in the giant revivals of Billy Graham.

The rise of Jimmy Carter to the presidency brought the phrase "born again" back into the forefront of the political lexicon. But Mr. Carter's blend of liberal politics and earnest Baptist zeal made his liberal constituencies uneasy.

Moreover, after raising the expectations of the increasingly restive Christian right, he then brought their frustrations to the boiling point.

They had watched from the sidelines while liberal causes dominated the public agenda: Abortion was legalized, the homosexual rights and feminist movements mushroomed, taxes were used to pres-



Billy Graham, the evangelist, chatting with President Kennedy at the White House in 1961. At right, President Jimmy Carter, his head bowed in prayer.

sure Christian schools to abide by civil rights laws and national resistance to the communist threat seemed to wither.

As Martin Marty, a theologian at the University of Chicago, put it: "They felt left out of everybody else's liberation." Meanwhile, a foundation for their uprising had been laid by the media revolution, which produced religious television personalities with new power to communicate and raise money.

In 1979, the sleeping lion of fundamentalism seemed suddenly to leap to its feet, fed up.

Mr. Falwell formed the Moral Majority and the political whiz kids of the New Right completed a circuit to the electronic evangelists. Political hit lists, voter registration drives, grass-roots mass meetings, lobbying arms and mailing lists blossomed on behalf of their profile, pro-moral, pro-family, pro-America line.

Since 1980, the budget for all of Mr. Falwell's operations has grown from \$58 million to \$90 million a



Billy Graham, the evangelist, chatting with President Kennedy at the White House in 1961. At right, President Jimmy Carter, his head bowed in prayer.

year. Membership has tripled. In the last four years, contributions to the group's educational foundation and lobbying arm have increased to about \$11 million from less than \$400,000, officials say.

But the conservative Christian political movement has discovered that changing America means, to some extent, being changed.

"The first term earned us the right to be heard," says Cal Thomas, an official of the Moral Majority. "In the second, we have to earn the right to be followed."

2 Die in Jamaica In Fuel Price Riots

The Associated Press

KINGSTON, Jamaica — Riots touched off by sharp price increases for gasoline and propane gas paralyzed the country Tuesday. The police reported two dead.

Businesses, schools and government offices were closed, domestic flights grounded and the opening session of Parliament was canceled. The demonstrations started in Kingston and quickly spread to the tourist center of Montego Bay and other cities.

The increases raised the price of gasoline from the equivalent of \$1.81 dollars to \$2.19 a gallon (3.785 liters), and propane gas went from \$20.16 to \$23.38 for a 100-pound (45-kilogram) tank.

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REMEMBER THE SNOW — A workman clears snow from in front of the Alamo in San Antonio, Texas, after a record snowfall in the city during the weekend.

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Published With The New York Times and The Washington Post

Kennedy's African Trip

Consider first the simpler questions posed by Senator Edward Kennedy's stormy eight-day sojourn in South Africa. Interference in another country's affairs? Cadging liberal votes at home by posturing abroad? Both of these charges were flung at Senator Kennedy by Pretoria's all-white regime — and by a small faction of black radicals who disrupted a final meeting in a black township.

The charges miss the point. Yes, Senator Kennedy is not a South African and his purpose was political. Like President Ronald Reagan, the senator condemns apartheid, short for the permanent rule by a white minority that welcomes blacks' labor but denies them the most elementary rights of citizenship. In decrying this system, Senator Kennedy is no more a troublemaker than are Americans of all races who have been carrying nonviolent protest to the doors of South Africa's embassies.

Knowing his purpose, South Africa issued his visa, then had two cabinet ministers lecture him for meddling. This from a government that funds insurgencies in Angola and Mozambique and illegally occupies Namibia.

All that aside, South Africa has little ground for complaint. Advocacy cuts both ways. Pretoria years for acceptance in the West by making the most of few concessions to multiracialism. Only the other day, President P.W. Botha was given an indulgent opportunity in the United States on CBS TV's "60 Minutes." If he wants to influence U.S. opinion, how can Mr. Kennedy and other Americans be faulted for attempting to influence South Africa?

Whether the attempt does any good is a different question. Believing themselves besieged, white South Africans tend to stop their

ears to uncongenial criticism. This was made easier in the senator's case when 100 black radicals thwarted his attempt to address 4,000 blacks. There is no clear evidence that the government encouraged this disruption, as hinted by Bishop Desmond Tutu, the Nobel laureate. It could be a worrying portent of impatience among younger militants.

True believers in apartheid insist that violence and communism will enter by the back door if South Africa opens its front door to political change. So Pretoria minimizes the idealism of Bishop Tutu and encourages the violence it fears by repressing multiracial parties and labor unions.

The evidence, however, is that both black and white South Africans feel a stake in their country, not in its destruction. Americans simply have to assume that persistent pressure can encourage political change.

A joint statement by six South African business organizations called last week for fairer employment practices, more political rights for blacks, a universal citizenship instead of black citizenship in bantustans, and an end to the forced removal of nonwhites from certain neighborhoods.

Business favors these reforms because it wants to head off boycotts and restrictions on U.S. investments in South Africa. Whether such sanctions would have a good effect is yet another question for debate. Nothing is more difficult than trying to promote internal change in another nation. But there would be less hope for reform without the credible threat of sanctions and the continued "meddling" of foreign politicians.

—THE NEW YORK TIMES.

What is one to make of Senator Edward Kennedy's visit to South Africa? Certainly it was a striking media event, one coinciding with and reinforcing the new interest of the American public in apartheid. The senator drew on the recollection of his late brother Robert's tour 18 years ago. He sought out the scenes most expressive of white oppression of the black majority and presented himself as a new recruit to the struggle of South African blacks for dignity and equality. It is a struggle, he said, that puts him in opposition to the Reagan administration's policy of "constructive engagement," which he finds morally and politically wanting.

Senator Kennedy has something of his brother Robert's quality of being able to summon other people's deepest feelings to the surface. Thus did he elicit sharp protests from a minority of radical black nationalists who, far from receiving his extended hand, rebuffed him as an agent of the capitalist system they blame for their situation. It goes without saying that the official white establishment fully reciprocated his severe judgment of its policies and bona fides. More unexpectedly, some white liberals who are in opposition to their government also felt the senator was grandstanding and butting in.

We are faced here with a political dilemma that Americans have got to resolve if they are serious about converting the latest burst of anti-apartheid feeling into a helpful contribu-

tion toward change. It is good to have Americans seeing and understanding the wickedness of a system that condemns blacks to serfdom on grounds of their race. That some Africans are bitterly distrustful of would-be Samaritans is not surprising. But those who come to help should be sure they do not leave having made their own personal strivings and purposes the center of discussion. They should accept an obligation to indicate a strategy that actually has a chance to deliver some of the relief and benefit their intervention promises.

"Constructive engagement," with or without the quotes, has been the policy of successive American administrations at least since President John F. Kennedy. The constant has been to accompany pursuit of routine national interests with criticisms of apartheid; the variable has been the degree of feeling and frequency of these criticisms. Recently — belatedly — President Ronald Reagan came into line with other presidents, at least for the moment, by himself making a strong, public attack on apartheid. Still, it might profit the American debate if it were accepted that no administration, whether Democratic or Republican, liberal or conservative, has much devoted events within South Africa in the past 25 years. Local forces are controlling, and the question is what further pressures or blandishments, mounted from outside, will make things better inside.

—THE WASHINGTON POST.

Rules for Research

Tension is inevitable between the great American research universities and the government. But there is currently a rising concern among the universities that the government is pressing them harder and is gaining ground. The universities always want the latitude to follow their research where it takes them, and to publish the results openly. The government, which provides the money for much of this work, usually wants a measure of control. That has always been the case. But increasingly it seems to want more control to see the results of research before they are published, for example, and even to have the authority to deny publication.

These issues often do not involve U.S. national security in any conventional sense, but rather an inclination on the part of the administration here and there to push security restrictions beyond their traditional limits. John Shattuck, a vice president of Harvard, has written a memorandum that cites some of the points that currently raise academic anxieties. He cites the presidential order to require all government employees with access to certain kinds of classified information to agree to censorship of anything that they might write for the rest of their lives. The Reagan administration withdrew that rule last year, but only temporarily. If it is put into force, it will constitute a formidable barrier to government service for many academics. That would be a disservice both to the government and to the quality of scholarship on public affairs.

The administration is expanding its efforts to control the export of many kinds of technology, and those efforts are not confined to machinery. In the universities, it raises questions regarding which students can take what courses. Harvard has had inquiries from the State Department about the work being done there by Chinese students and, in one case, a Polish scholar. Congress probably will renew the Export Administration Act this year, and some senators want language written into it that would strengthen the restraints on the flow of academic knowledge to foreigners.

Congress will have to settle that one. But in other cases, the universities themselves are going to have to carry the primary responsibility to protect their integrity. Mr. Shattuck cites an increasingly long list of federal agencies that have been trying to push clauses into research contracts requiring universities to submit the results of research to government review before publication. They include the National Institute of Education, the Environmental Protection Agency and the Food and Drug Administration — which suggests that national security is not at stake. A university can always avoid that kind of degrading restriction by refusing to sign the contract, as Harvard has occasionally had to do. That is a loss to both the university and to the government. But academic freedom is like other kinds of freedom. It endures only as long as people think it is worth the price.

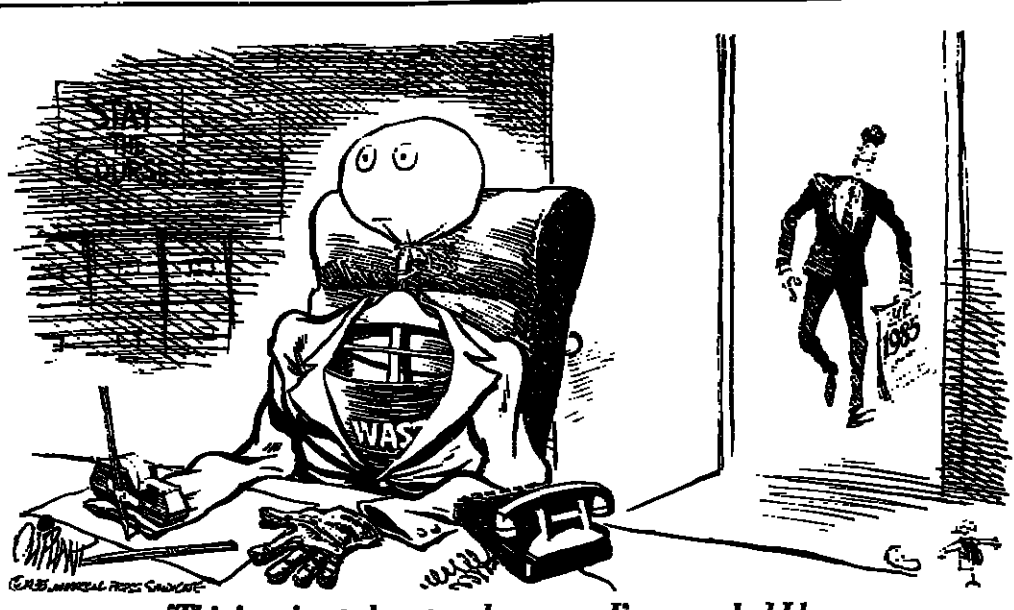
—THE WASHINGTON POST.

FROM OUR JAN. 16 PAGES, 75 AND 50 YEARS AGO

1910: As the North Sprouts Icicles
PALM BEACH, Florida — The eyes of society in the North, and in New York especially, have again turned toward Palm Beach, a resort which blooms with flowers when the North is sprouting icicles. Visitors were bathing here today (Jan. 5) in the surf at a temperature of 74 degrees Fahrenheit (23.5 centigrade). Others, dressed in light flannels, strolled under the palms complaining of the heat, and these were passed by those who had arrived on the first through express train from Jersey City — the winter service having just begun.

Since Christmas, when the Hotel Breakers was opened, it has been getting more and more lovely here, and the season will be well under way in another week.

1935: Saarlanders Opt for Germany
SAARBRÜCKEN — Eight hundred thousand Saarlanders celebrated their national day (Jan. 15) in much the same spirit of thanksgiving as was manifested by the inhabitants of Alsace and Lorraine in November, 1918. This morning this borderland people, who for fifteen years have lived without a country, were electrified with joy at the radio tidings that an amazing 90 percent in the (Jan. 13) plebiscite had been cast for reunion with Germany. Church bells pealed jubilantly throughout the 738 square miles of Saar territory, youth and maidens danced, citizens and strangers embraced each other and men and women in their 80s and 90s wept with joy. "At last the Saar's German again," they cried.



"This is going to be a tough year—I'm sure glad I have my close circle of trusted senior aides to rely on."

Has U.S. Pendulum Swung Too Far?

By James Reston

WASHINGTON — The weeks between the re-election of President Reagan and his inauguration have been marked here by a different tone.

The campaign, as usual, was a noisy riot of strong passions and weak reason, but lately there has been a revival of common sense. Most leaders of the Democratic Party are not underestimating the defeats they have suffered in three of the last four presidential elections, and most Republican leaders are not overestimating their victories.

On the two major problems before the nation, the control of deficits at home and the control of nuclear weapons abroad, they are facing with one another but beginning to adapt their wishes to the facts.

There are exceptions, of course. Senator Jesse Helms of North Carolina is still thinking (if that is the right word) to buy out CBS or anything else that opposes his fatuous conservatism, but he is fast becoming not merely a nuisance but an embarrassment to the president and a majority of his own party.

Elsewhere, most politicians are not taking the one-sided election promises and votes all that seriously. They are making their own judgments about what is best for the United States, regardless of the president's wishes — and also what is best for themselves, sometimes confusing the two.

Senator Robert Dole of Kansas and other moderates in the Senate are coming out with their own budget, not satisfied that the president's campaign promises and budget proposals will get the budget and trade deficits down to manageable size.

The president is not acting like a man who regards his personal popularity and spectacular victory as a mandate to insist on every promise or charge or joke he makes in the heat of the campaign. Though he said he would never fiddle with Social Security benefits, he is now fudging it and indicating that, well, maybe he would think about cutting the old folks back if an overwhelming majority in both houses of Congress shared his belief.

Same with the nuclear arms talks. No more talk of the Soviet "evil empire" or linking arms control talks to the Soviet outrage in Afghanistan. The talks went on in Geneva, even about weapons in outer space, without

preconditions. No promises were made. Probably too much is expected of the Shultz-Gromyko smiles, but at least they are talking about talking.

There may be less in all this than meets the eye, but the president's critics cannot blame him for being rigid as a board and then complain when he bends a little.

In fact, he has been so flexible since his re-election that it is not quite clear where he is going now or who is going with him. He has made or permitted almost as many changes in his lineup in the last month as the Washington Redskins made all season.

Maybe there is some logic to these musical chairs, though it baffles the reporters and the other members of the cabinet and White House staff. But after four years, an argument can be made for shaking things up.

There have been more presidential crises high in this government than in any other administration since the last war. All of them were among the nicest, but not necessarily the smartest, officials available. Some of them were tired, and some were bored, and others merely homesick or broke.

"There's something very Japanese about all this," an ambassador said here. "In Tokyo, the prime minister allows the various factions to fight among themselves, and then when they come to some sort of compromise or consensus, he approves their deal. It is one way to do things and it seems to be Mr. Reagan's way."

The main point of all this, however, is reassuring in a way. There is something in the air here that tells people when the swinging pendulum has gone too far. It was this instinct that brought Ronald Reagan to the White House when the people sensed that the welfare state policies of the Democrats needed correction. The Democrats hoped the swinging pendulum would go the other way in the 1984 election after all the economic and foreign policy problems of the first two Reagan years. But Mr. Reagan changed course abroad and was re-elected on his own personal popularity and the economic recovery.

Now Washington is shifting again. It will go belittled to the extremes for a while, but there is something in the constitutional separation of powers and the old fog of independent discussion that makes it pull up before going too far.

The New York Times.

Why the 'Food Weapon' Is a Myth

By Jonathan Power

LONDON — The Ethiopian famine has raised again the question of whether food is being used as a political weapon. And if it has been in Ethiopia, as charged, then could it not be used on a worldwide scale, since the United States controls 40 percent of the exports of world grain supplies? "If the Arabs have crude," said one diplomatic war recently, "we have food."

This debate has a long pedigree. The Holles Chenery, vice president of the World Bank, wrote in an article in Foreign Affairs at the time of the 1974 food crisis "the position of the United States and Canada as grain

Africa is the only basket case. It may be, although it cannot be definitely proved, that in the first half of 1974 the United States was punishing Ethiopia by denying it food because of its Marxist colorings. But if that was the policy it has backfired. The severity of the situation has awoken the West that is pushing their governments, not least the United States, to deliver large quantities of food aid.

The one serious modern attempt at a grain embargo — made by President Jimmy Carter to cut off grain sales to the Soviet Union after the invasion of Afghanistan — also came to naught. Argentina stepped into the gap and the Soviet Union cut back its meat consumption marginally.

If there was a future showdown of major proportions between the Soviet Union and the United States it is likely that the Soviets could buy grain and soybeans from Asia as well as Latin America.

The United States, moreover, has problems of its own. The farm lobby is so powerful that it always feels its existence is so precarious and thus is always on the offensive — that it is difficult for any president to interfere with its vested interests. As long as American farmers keep on raising their productivity the U.S. government will always be looking for markets, not undermining its reputation as a good and reliable seller by using food as a political lever.

While food power at a global level has been probably overrated by events, there are many local situations where the politicians believe food can be used as an effective tool. In Ethiopia there is evidence that the central government is trying to deny food to the rebel areas in Eritrea and Tigre.

In Cambodia in 1979 the Vietnamese occupiers conjured up a famine in order to get the West to start dealing with them. In fact the food aid that did go in via Phnom Penh was only marginally useful for the Cambodians.

It was used mainly for feeding the Vietnamese Army. Likewise the food that went in via Bangkok was used by the Thai and U.S. governments as means of feeding the troops of Pol Pot hostile to Vietnam that had taken refuge in Thailand on the Cambodian border. Although organizations like UNICEF and the Red Cross tried to stop this from happening they were unable to do so. The destitute mothers and children they were trying to help passed on the food aid to their menfolk in the armed forces. Yet even this did not translate into power. All that happened was that the Vietnamese and the Pol Pot armies were enabled to fight another day.

The Cambodian stalemate continues. Perhaps if the United States and Thai governments had had total control of the situation they could have had a more precise impact. But there were too many actors in the drama — other governments and the charities — for this to happen.

The modern world is too complex and food too plentiful.

exporters as is dominant" as that of the Gulf countries in oil. He went on to argue that compared with the rise in oil prices "for the poorest people [in the Third World] the impact of high food prices and shortages is much more serious, since most of their income is spent on food."

From the vantage point of 1974 and the world food crisis it looked as if talk of a food weapon was realistic. The number of major food exporters was dangerously few and the number of importers was rising sharply. Before World War II all the major geographic regions, bar Western Europe, were net exporters of grain. Eastern Europe was exporting as much as North America. But by 1974 Asia had a large grain deficit, and Eastern Europe and the Soviet Union were increasing imports sharply. During the first half of the 1970s North American grain exports doubled.

Lester Brown, the U.S. food expert, commented at the time: "North America today finds itself with an almost monopolistic control of the world's exportable grain supplies, a situation for which there is no historical precedent."

The CIA, in a 1975 report, entitled "Potential Implications of Trends in World Population, Food Production and Climate" argued that the gods themselves were on the side of growing U.S. power. The CIA detected a cooler trend in the Northern hemisphere. This would work to the disadvantage of those in high latitudes and those nearest the equator. Countries in late latitudes would be least disrupted by frost or drought. The CIA report concluded that this "could give the United States a measure of power it never had before, possibly an economic and political dominance greater than that of the immediate post-World War II years."

Only 10 years have gone by and yet all these scenarios look dated.

The Asian and Latin American countries are now either self-sufficient or only marginally dependent on food imports. The oil-rich Middle Eastern countries have become major food exporters, but who is going to refuse to sell them food because of some political difference?

It looks like it will be the same story in Ethiopia. The Eritreans are finding alternative supplies of food. The Ethiopian government has been accused of diverting food aid to their armed forces. The Western food agencies are making some of the same mistakes they made in Cambodia. They say they are there to help the women and children but they overlook the reality that much of it ends up in the stomachs of the fighting forces. Food can come from so many possible suppliers it is next to impossible to control its flow.

The food weapon may have existed in medieval times when the attacking armies could surround a town and cut off all its avenues of supply. But the modern world is too complex and food too plentiful for it to be the effective and decisive weapon that was once thought.

International Herald Tribune.

Debate on Détente: 4 Kremlin Positions

By Jerry F. Hough

This is the second of three articles.

WASHINGTON — The debates within the Kremlin about the proper Soviet orientation cannot be characterized simply as pro-détente and anti-détente. The major positions in the debate are much more complex than that, and even the following attempt to lay out four positions misses many differences among people within each group.

The first position is, in essence, anti-détente. It is found in the military newspaper Red Star and the conservative journal International Affairs, and treats the West as united and threatening in its drive to achieve military superiority. As is the case with U.S. Defense Secretary Caspar Weinberger's views, this position does not usually seem associated with the advocacy of military action, but focuses on the need to increase military spending.

This position tends to be anti-reform, because its proponents tend to be xenophobic and isolationist in regard to the West. It is expressed in assertions like those of General Dmitri Volkogonov, who has said that the United States has a "desire to replay" the lost battles of the 20th century by nuclear war" and that military expenditures are needed more than investment and reform.

"The defense of socialism," the general wrote, "as never before, demands not only the availability of the appropriate defense potential (economic, scientific-technical, spiritual and military), but also the capability to use them immediately."

The fact that Marshal Nikolai Ogarkov, the since-demoted chief of the general staff, went beyond this position to suggest the need for reform indicates that any simple-minded conservative position is politically weak. The inherent problem with the conservative approach is that military spending cannot solve the technological problem. Unless the SS-25 now in development flies, the Soviet Union will not have been able to develop an operational, solid-fuel intercontinental ballistic missile 20 years after the American Minuteman (which is such a missile). The Soviet lag in computer technology puts the country at greater disadvantage with other modern weapon technologies. Moreover, drastic cuts in consumption to allow large-scale new military expenditures would be politically dangerous, especially if there is no accompanying reform program that holds out the prospect of a better life to ordinary citizens.

The other three positions in the Kremlin leadership are all essentially pro-détente, but they differ enormously in their implications.

The second position might be called the traditional détente view. Like the conservative first position, it is based on a two-bloc image of the world, but those in this camp believe that détente between the two blocs is possible. Advocates of traditional détente emphasize the centrality of the Soviet-American relationship. They insist on Soviet dominance of its bloc, but, to an extent that is not appreciated in the United States, they generally concede Europe and Japan to the United States. Despite their verbiage, the traditional pro-détente faction generally likes the Western alliances as a means of keeping West Germany and Japan nonnuclear, and of justifying the stationing of Soviet troops in Eastern Europe.

The traditional détente position is held by Politburo members and their allies who are deeply worried by economic reform and frightened by outside ideas. It is based on the hope that a relaxation of Soviet-American tensions would reduce the domestic pressure for reform. Originally it was based on the belief, now discredited,

that importing technology would be a panacea. In real political terms, the traditional détente position, not the anti-détente position, has become the basic conservative stance. It is the position taken by men such as Leonid Brezhnev, Konstantin Chernenko, Andrei Gromyko and Dmitri Ustinov, the defense minister who died last month.

The third position might be called activist American-oriented détente. Its proponents think that the Soviet-American relationship must be central, because only these countries have the capability of destroying each other. But unlike the traditional détente advocates, the proponents of this position are dedicated to economic reform. Consequently, they often speak fervently of international cooperation, the integration of the world economy and the building of trust between the Soviet Union and the United States.

This is not just propaganda for the West, but is a plea for a change in Soviet attitudes and policy as well. Supporters of the traditional détente approach tend to be reactive, but the activists think that U.S. hostility might be broken down by far-reaching Soviet arms control proposals,

The inherent problem with the conservative approach is that military spending cannot solve the technological problem.

tension-reduction in the Third World and less Soviet secrecy. This position seems to be represented by a number of professional Americanologists, including scholars like Georgi Arbatov of the Institute of the U.S.A. and Canada and Fedor Burlatsky, former aide to Yuri Andropov.

The fourth position is the anti-American, pro-European, pro-Japan one. In public, it is expressed by extreme anti-American positions and by strong emphasis on division within the West.

For example, the director of the IMEMO international relations institute, Alexander Yakovlev, has written of a "relative leveling in the strength of the three centers of power: the U.S.A., Western Europe and Japan," and argued that "in the historically foreseeable future the centrifugal tendency in the capitalist world will grow." He signaled his attitude toward reform by stating that Japan leads in many technologies, has become "a world economic state" and has supplanted the United States as "the symbol of youth and dynamism in the Western world."

In private, many of the proponents of anti-American détente can be contemptuous of what they see as Soviet government's half-hearted efforts to woo Europe and Japan, and they have more substantial actions in mind. This group, however, consists of proponents of economic reform who are not merely thinking geopolitically of a dissolution of the Western bloc or of altering the loyalties of Western Europe, but are contemplating a greater integration of the Soviet Union and Eastern Europe into Europe and Asia as a whole, with consequences for both blocs.

The writer is a professor of political science at Duke University and a member of the staff of the Brookings Institution. He contributed this comment to The Washington Post.

Bhopal Raises a Question of Values

By Daniel S. Greenberg

WASHINGTON — The apologists of technophilia are already at work on the calamity at Union Carbide's plant in Bhopal, India, gingerly pointing out that, well, after all, the plant was run by Indians, and the pesticide it produced helped nourish infinitely more lives than were lost.

The underlying lesson, they suggest, is that technology is invariably a two-edged sword, but in skilled Western hands it is extremely safe. And, of course, it is indispensable. As the Monsanto Corp. has mindlessly sloganized for years, "Without chemicals, life itself would be impossible."

Is that to be the lesson of Bhopal? After the condolences have been expressed and the shock wears off, it might well be, if the public-relations artists of industry and government have their way. But there are other lessons to be learned and preserved.

The first is the fallacy of the "fail-safe" concept, routinely invoked to soothe public fears of powerful technologies. As demonstrated by the plant at Bhopal, nothing is fail-safe. Skill and attention can minimize the likelihood of failure, but anything can fail. To engineers, Murphy's Law is only part joke.

That being so, one can ask why Union Carbide and its Indian partner were processing lethal methyl isocyanate in a densely populated area. The answer that has been offered is that over the years, the population moved in around what was originally an isolated plant. But that still leaves the question of why the danger was tolerated by a company that proudly proclaims its concern for safety. It could have pulled out. Amazingly, the issue of danger to a nearby population is just now being asked about Bhopal's sister plant in West Virginia.

Beyond the riskiness of this particular chemical-processing operation, there is the broader issue of toxic chemicals and alternatives to their use as pesticides.

If any line of research warrants a crash program, it is the development of safe pesticides. But the resources devoted to this goal remain relatively small. One reason, at least in the United States, is that Agriculture Secretary John Block is a cheerleader for chemical pesticides; he enthusiastically regales audiences with tales of the wonders they performed for his soybeans back in Illinois.

Since safer pesticides are themselves examples of high technology, it is plain that the issue is not whether more or less technology is needed. Rather, it is the application of sense and humane values in choosing among the technical possibilities created by science and industry.

The tragedy of Bhopal can only be compounded by the grisly contention that the deaths and sickness there represent the price of progress.

The writer is editor and publisher of Science & Government Report, an independent newsletter.

LETTER TO THE EDITOR

Turkish Response

Regarding "Papandreu Firm on Aegean Rights" (Dec. 24):

The report on Prime Minister Andreas Papandreu's declaration on "Greece's sovereign rights in the Aegean" is so worded as to create the impression that the Greek government's stand on this question is to maintain the "legal status of the Aegean" as defined and safeguarded by international treaties "against Turkey's claims. The actual position is quite the reverse.

The Turkish government's declared view is that nothing should be done that would violate the dispositions of the Treaty of Lausanne (1923) — which was meant to consti-

tute a final settlement between Greece and Turkey — and that "the delicate balance achieved at Lausanne between the interests of the two countries should not be upset."

In plain words, the Turkish position could be thus summarized:

Turkey will not accept an extension to 12 miles of the territorial waters of Greek offshore islands only a few miles distant of the Turkish coast.

On the other hand, it does not see any valid ground to the claim that these offshore islands should take all the continental shelf of the eastern part of the Aegean, so depriving the continental coast (1,000 kilometers) of all rights on it.

H. BATU, Istanbul.

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International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine, France. Telephone: 747-1265. Telex: 612718 (Herald), Cables Herald Paris.

Director of the publication: Walter N. Thayer
Asia Headquarters, 24-34 Hasegawa Rd., Hong Kong. Tel.: 285618. Telex: 61170.
Main Office, 1100 Avenue of the Americas, New York, N.Y. 10020. Tel.: 212-512-2000.
S.A. au capital de 1,200,000 F. RCS Nanterre B 73021126. Commission Paritaire No. 61337.
U.S. subscription: \$294 yearly. Second-class postage paid at Long Island City, N.Y. 11101.
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ILS SONT TOUS MONTES A LA TRIBUNE.

Ils viennent des meilleurs journaux économiques, ce sont les meilleures signatures de la presse des affaires, ils maîtrisent les sujets les plus difficiles. Tous, ils se sont lancés dans l'aventure. Ils ont tous décidé de faire du neuf dans le vieux univers de la presse. Vous les connaissez tous pour les avoir lus. Ils sont 50 journalistes spécialisés qui sont montés à la Tribune pour créer l'événement de l'année.

Ils travaillent dans un journal indépendant, c'est la Tribune. Ils écrivent dans un quotidien international, c'est la Tribune. Ils signent des

articles qui traitent de l'économie du monde entier dans la Tribune. Ils exposent les faits ; ils les analysent ; ils les commentent. Ils sont sans parti pris et ils se passionnent. Ils connaissent tous les régimes qui nous régissent et ils en parlent. Ils connaissent tous ceux qui nous dirigent et ils les font parler.

Chaque jour des nouvelles nous parviennent de Londres, Bonn, Francfort, New-

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**QUOTIDIEN.
SORTIE
15 JANVIER.**

50 journalistes ont décidé de faire un journal qui bouge à l'image d'aujourd'hui. Ils ont des oreilles dans le monde entier et leurs plumes sont à Paris. Ils sont au cœur de l'actualité. Il est urgent de les lire quotidiennement dans la Tribune.



**LE MULTINATIONAL
DE L'ECONOMIE.**

INSIGHTS

Latest Australian Political Scandals Enliven Summer Holiday Doldrums

By Jane Perlez
New York Times Service

SYDNEY — Most of the four million people in this harbor city have eased into vacation routines, slipping away from their high-rise offices early on Fridays in search of the perfect beach. Their coolers brim with beer. Their bodies, scorched by the sun, are beginning to assume the gloss of dark mahogany.

But this summer season has not been accompanied by the usual respite from politics. Over lunch tables, in pubs and during afternoon teas, people gleefully discuss each day's disclosures in a litany of scandals.

Several weeks ago, the city was shocked by banner headlines announcing that a justice of the High Court, Australia's top judicial body, whose members still wear wigs and silks, had been charged with trying to influence the outcome of cases in favor of a lawyer friend.

It was the first criminal charge against a justice of the High Court in the nearly 200 years of the country's history. The accusation, against Justice Lionel Murphy, a former attorney general, arose after the contents of telephone wiretaps — themselves a scandal because they were installed illegally by the New South Wales police — were disclosed to the press.

Justice Murphy has said that he is looking forward to his trial, asserting it provides him with an opportunity to establish his innocence.

Also due to stand trial soon is the minister for corrective services, who is responsible for running the prison system in New South Wales, the most affluent, populous and oldest of Australia's seven states. He has been charged with accepting money from prisoners in return for their release.

PERHAPS the most titillating to Sydney residents have been the investigations into the affairs of a television magnate, Kerry Packer.

An investigation by a Royal Commission has charged that Mr. Packer, a self-described heavy gambler, concocted extensive tax-evasion schemes and was involved in an international drug ring.

Mr. Packer's testimony before the commission and some of the commission's findings were disclosed to The National Times, a muck-raking weekly that has covered the scandals with as much zeal as Australian libel laws allow. The laws would undoubtedly appeal to American public officials and corporations, as they require a publisher to prove not only that information is true but also that it was in the public interest to publish it.

The newspaper printed the testimony, but to protect itself did not use Mr. Packer's name, referring to him instead as Goanna, the name of a large, lizardlike creature and indigenous to Australia.

"Goanna" graffiti erupted on city walls, and commuters on ferries were asking each other, "Who is Goanna?" At a press conference, Prime Minister Bob Hawke was asked about the last time he had seen Goanna.

Finally, Mr. Packer, a large man with a reputation for having opulent tastes in homes, antiques and cars, ended the suspense. First, he revealed in a public statement by his lawyers that he was Goanna. Having done that, as well as maintaining his innocence, he promptly filed

'Drugs, drugs, drugs,' was the reply of the mother of two grown children, when asked about the increase of malfassance in high places.

a defamation of character suit against the person he suspected of revealing the damaging testimony.

Just as quickly, the court resolutely dismissed the suit and castigated Mr. Packer for using the judicial process improperly.

WHAT explains the outbreak of scandals in this strikingly underpopulated country — only 14 million people in a continent the size of the United States — where cricket, rugby and sailing traditionally have provoked more discussion than politics?

As the country's standard of living has improved, some people wonder if its moral fiber has disintegrated.

Others insist that nothing has really changed. With rakish smiles, they note Australia's criminal legacy. The country was founded in 1788 as a colony for British convicts, many of them the more cunning white-collar variety. Then, the officer corps sent to watch over the criminals turned to crime, specializing in smuggling rum.

But many Australians say the modern era has provided a spawning ground for the current corruption. In the early 1970s, the High Court limited the powers of the Commonwealth Tax Commissioner. The decision, as one lawyer sees it, sent many lawyers and business officials in search of illegal tax-evasion schemes.

"Drugs, drugs, drugs," was the reply of the mother of two grown children, when asked about the increase of malfassance in high places.

In the last decade, urbanized Australia — 85 percent of the populace lives in cities such as Sydney, Melbourne and Adelaide along the coasts — has witnessed a tremendous increase in the use of drugs, especially the readily accessible heroin from Southeast Asia.

Besides racking families and society, the flourishing drug traffic has led to more organized crime activities, according to the authorities.

EVEN Prime Minister Hawke and his family have been affected by the drug problem. In the recent electoral campaign, Mr. Hawke broke into tears as he disclosed to the nation that his daughter and her husband were addicted to heroin.

And although none of the revelations about improprieties involving prominent figures have touched Mr. Hawke, he has faced embarrassing financial questions.

While on a visit to Sydney, he reported the theft of approximately \$5,000 in cash and U.S. currency from his hotel room. In a televised campaign debate, a reporter on the panel asked Mr. Hawke why he had been carrying so much money in the first place.

The prime minister declined to answer the reporter's question.

While Sydney's conversations resound with tales of corruption in high places, there are some immutable things about the Australian way of life at this time of year.

Bush fires, which plague ranches along with rabbits and kangaroos, are again a threat to the parched yellow grasslands. Sharks appeared in the waters near a recent surfing carnival at Batemans Bay on the southern coast of New South Wales, sending competitors scurrying for the beach, and the racetracks continue to attract thousands of bettors.

SEEMINGLY keeping pace with events, horse racing has not been left untouched by scandal.

The country's most prominent bookmakers, the Waterhouse family, a household name in Australia, has been barred from the tracks.

The ban came after an inquiry concluded that the Waterhouses had taken part in a scheme whereby a fast horse was surreptitiously substituted for a 100-1 shot, after large amounts of money from all over Australia had been placed on the long shot.

The next stop for the Waterhouses is the courtroom as they seek to clear their name.



Son Sann, leader of the Khmer People's National Liberation Front, being welcomed by Cambodian civilians at an evacuation post just inside Thailand. The civilians had moved from a camp expected to be attacked by Vietnamese troops.

Non-Communist Cambodia Group Gathers Strength Under Son Sann

By Elizabeth Becker
Washington Post Service

WASHINGTON — Indochina got back on the front page last week, thanks to a particularly heavy Vietnamese attack against a Cambodian encampment near the Thai border.

It was not just any Cambodians whom the Vietnamese attacked. It was the camp of a group called the Khmer People's National Liberation Front, a nationalist, non-communist faction of apparently increasing strength and popularity. It is one of the two principal armies fighting Vietnam's six-year occupation of Cambodia. The other army belongs to the communist Khmer Rouge, widely held responsible for killing well over one million of their compatriots from 1975 to 1979, when they were driven out by Vietnamese forces.

All last year the Vietnamese said that the chief obstacle to their joining in peace talks was the continued presence of the Khmer Rouge. But recent events demonstrate that Vietnam is not interested in peace negotiations and that its greatest political concern is not the Khmer Rouge but this nationalist alternative to Indochinese communism.

The KPNLF, a "third force" that is neither communist nor corrupt, has become a crucial target for Hanoi's forces. Since the Vietnamese opened fire on Cambodian resistance camps in late December, they have virtually ignored the militarily superior Khmer Rouge to shell and burn the military camps and civilian villages of the KPNLF.

The liberation front's army is barely two-thirds the size of the Khmer Rouge forces; it is ill-equipped; it has no major foreign power backing to insure its survival above all other Cambodian factions.

In spite of this, or perhaps because of it, the KPNLF fighters have proved themselves in the last two or three years to be the greatest political threat to Vietnam's plans to entrench its client state in Phnom Penh. Just as communist guerrillas captured the mantle of independence against foreign occupation in the first and second Indochina wars and won admiration in spite of the odds, the KPNLF is beginning to win a similar reputation in this third Indochina war.

IF the current war, which is being fought in western Cambodia, was strictly between the Khmer Rouge and the Vietnamese-imposed regime of Heng Samrin, the odds would be far better for Hanoi. It then would be a simple contest between two vying wings of the same Cambodian Communist party. The people of Cambodia would have the narrow choice between Pol Pot's brand of Khmer communism or the Vietnamese-style communist administration.

But Son Sann, the leader of the KPNLF, refused to leave Cambodians such limited choices. A prime minister of Cambodia in the 1960s, Mr. Son Sann organized the liberation front around a platform espousing democratic ideals, a free, independent, nonaligned Cambodia and a sense of nationalism tied to Buddhism. Unable to get support from non-communist powers, the KPNLF has had to rely on the Chinese. Beijing gives the lion's share of its military assistance to its longtime ally, the Khmer Rouge, and gives the leftovers to the KPNLF.

Perhaps because of this virtual abandonment the liberation front has surprised all sides and made deep inroads in occupied Cambodia, becoming, in many respects, the Cambodian faction that the others have to discredit. Although it is small compared to the Vietnamese attacks against their camps over the past month are a tribute to the success the KPNLF has had in undermining the Vietnamese occupation.

There is plenty of proof that the KPNLF forces rather than the Khmer Rouge are now the chief political opponents of the Vietnamese and the Heng Samrin government.

The fall of the Heng Samrin regime are filled with KPNLF followers, or people suspected of supporting the front, not with Khmer Rouge. On the contrary, the government has shown extraordinary leniency toward the Khmer Rouge, to whom they offered a clemency program requiring no more than one month's re-education before they are welcomed back into the fold. They are seen as wayward communists who need only be shown "the true path," as the minister of justice said, before becoming citizens with full rights.

THE KPNLF, on the other hand, represent an entirely antagonistic political alternative. When the Vietnamese or the Heng Samrin government are criticizing the liberation front, they say that there is nearly no difference between the KPNLF and Mr. Pol Pot's people. The Vietnamese are capitalizing on the front's entering into a loose coalition for more than two years with the Khmer Rouge and the tiny army led by Prince Norodom Sihanouk, Cambodia's former ruler. The three groups were

pushed into the coalition in a politically pragmatic move urged on them by foreign powers — China, Thailand and the United States.

Various factions have changed sides so often in the continuing war for Cambodia that it is easy to get lost in the thicket. Only one leader — Mr. Son Sann — has refused to change sides. Prince Sihanouk, the most famous of Cambodians, has changed sides so many times that he has come to represent little more than himself and a vague Khmer nationalism. He fought against the Khmer Rouge when he was leader of Cambodia, but when he was deposed in 1970 he went over to the Khmer Rouge side and used his considerable reputation to encourage Cambodians to come with him.

The Khmer Rouge rewarded Sihanouk by putting him under virtual house arrest after they came to power and formed their own government. Yet now he is far closer to his Khmer Rouge associates in the coalition than to Mr. Son Sann, whom he openly distrusts.

Heng Samrin's government is led by and filled with Khmer Rouge who fought under Mr. Pol Pot and helped run his regime. They joined with the Vietnamese when it was clear that they were next on Mr. Pol Pot's execution list.

It is within this muddy, bloody context that Mr. Son Sann stands out even further. During the civil war, from 1970 to 1975, Mr. Son Sann refused to support either the corrupt and inept regime of Lon Nol's Khmer Republic or its enemy, the communist front of the Khmer Rouge nominally headed by Sihanouk. As a

The KPNLF, a 'third force' that is neither communist nor corrupt, has become a crucial target for Hanoi's forces.

result, Mr. Son Sann was threatened with arrest by Mr. Lon Nol, snubbed by the U.S. Embassy in Phnom Penh, and threatened with death by Sihanouk in Beijing.

A man of the "third force" with no side to support, Mr. Son Sann returned to Paris and the life of an obscure exile whose mind was fixed on events in his homeland. When the Vietnamese were looking around for a candidate to head a puppet regime should they overthrow Mr. Pol Pot, they sent an intermediary to Mr. Son Sann to ask if he would join them. Mr. Son Sann said no, that he was opposed to any plans for a Vietnamese occupation of Cambodia even if it would mean the end of the Pol Pot regime.

WHEN the Vietnamese took over Cambodia, Mr. Son Sann moved from Paris to a base on the Thai-Cambodian border and set about transforming a tired band of refugees, newly arrived overseas Cambodians and young recruits into a military and political resistance force.

Through painstaking effort, the KPNLF's army and political staff grew despite enemies on all sides. When Mr. Son Sann's army started in 1979, it had about 1,000 members. The Khmer Rouge, under Mr. Pol Pot, had nearly 80,000 soldiers. The Vietnamese occupation force numbered 200,000.

Now, Mr. Pol Pot's Khmer Rouge, despite the liberation front's vastly superior aid, number around 35,000 soldiers while Mr. Son Sann's KPNLF is thought to be 15,000 to 20,000 soldiers.

Their appeal and propaganda reach deep inside Cambodia and into the government. KPNLF operatives have their own intelligence network. When Cambodians defect from the Heng Samrin regime, dejected that the Vietnamese are still in control of the country, they join the KPNLF forces if they decide to remain involved in their country's war.

The KPNLF is overshadowed, however, by the extraordinary fame of Sihanouk and the battlefield reputation of the Khmer Rouge. Mr. Son Sann, a former financier who is supremely self-confident and patient, is, however, uncharacteristically modest and shy for the leader of a guerrilla movement.

Mr. Son Sann's unlikely demeanor and his age, 73, undoubtedly contributed to the early and consistent U.S. refusal to grant military aid to the KPNLF. Mr. Son Sann expected the future for the KPNLF. The Khmer Rouge, on the other hand, were a proven military force. Both armies benefited from U.S. aid to refugees along the border.

THE Reagan administration continued the Carter policy although it has given greater political support to the KPNLF as it has grown in strength and influence. It was under the Reagan administration that China,

the United States and the Association of South-east Asian Nations, ASEAN, put irresistible pressure on Mr. Son Sann to join in a coalition with Sihanouk and the Khmer Rouge. Mr. Son Sann is understood to believe he was promised U.S. military support in return for joining the alliance, but that support never came.

The United States has all but abdicated its military interest in the Indochina region to China. The Chinese are responsible not only for most of the armaments sent to the Cambodian factions fighting the Vietnamese but also the major guarantor of direct military assistance should Thailand be attacked by Vietnam.

Moreover, it appears that one lesson the United States believes it has learned from the Vietnam War is that Indochina communists are better fighters than non-communists. The Pentagon has repeatedly resisted any U.S. military assistance to another "third force" in Indochina, particularly to the KPNLF.

Although that decision went against Mr. Son Sann's wishes, the results may have been to the benefit rather than the detriment of the KPNLF. If history is any judge, the front has done far better without U.S. military assistance than those resistance groups that received American aid.

Some of the Cambodians in the non-communist resistance are keenly aware of the high price of U.S. military assistance. They are veterans of the incompetent Lon Nol regime that from 1970 until its defeat in 1975 was underwritten by the United States. Up until the last weeks, the Americans gave uncritical support to Mr. Lon Nol despite all evidence that he was losing the war through corruption and neglect as surely as the Khmer Rouge were winning it.

FOR all of these reasons, American military assistance to the KPNLF is not the automatic answer some have put forth. The KPNLF has emerged as the most independent Cambodian force fighting in what could be seen as a three-cornered war for Cambodia. The Khmer Rouge are discredited not only for their genocidal policies but for their long-standing allegiance to and dependence on China. The Vietnamese call them a puppet of China and the Cambodian people see a germ of truth in the charge. Of course the Heng Samrin regime is regularly called a puppet of Hanoi, a charge that also sticks.

The KPNLF, the orphans of the war, cannot be portrayed as any country's client. True, the resistance does depend on the expensive good will of Thailand for a safe haven and dependable supply route, and without Chinese military supplies it would have languished with little chance to prove its military ability. Moreover, by joining in the coalition with Sihanouk and the Khmer Rouge, the front has tainted its reputation. But compared to the other groups fighting in the war, the KPNLF can hardly be accused as acting as a stand-in for a major foreign power.

Mr. Son Sann is adamant that he is not interested in large-scale military aid, nothing that even vaguely resembles the level of aid given the Lon Nol regime. He is equally uninterested in the U.S. interference that went along with the aid. Rather, he has a modest shopping list of equipment he wants shipped to his troops — nothing more or less.

It is questionable whether the United States is capable of giving even limited supplies, or willing to do so, without demanding a price that would diminish the appeal of the KPNLF.

As of this week, the question is of utmost importance. The Vietnamese have destroyed all of the KPNLF's major camps, including its headquarters at Ampil. Moreover, the Vietnamese have changed tactics. Besides destroying camps, they have stationed themselves in what appear to be permanent bases against the border to prevent the KPNLF from returning to Cambodia. The Vietnamese apparently want to cut off the liberation front from its routes inside Cambodia — routes that it has used successfully to harass Vietnamese troops, organize its followers around the country, gain new recruits and circulate propaganda against the Vietnamese.

Those KPNLF activities have proved all too effective against the Vietnamese. Hanoi hopes to stamp out the non-communist resistance and leave the Cambodians with the choice of either Heng Samrin or the Khmer Rouge.

The next stage is crucial. Have the non-communists suffered a military defeat that will leave them incapable of regrouping and expanding? How should the United States and other sympathetic powers respond without jeopardizing the KPNLF? Is the front the last gasp of the dream of a "third force," or has it emerged as a group of powerfully attractive independence fighters who survive foreign occupiers as other Indochinese guerrillas before them, including those who fought with Ho Chi Minh?

Elizabeth Becker's book on the Khmer Rouge and the devastation of Cambodia, "When the War Is Over," is to be published this fall.

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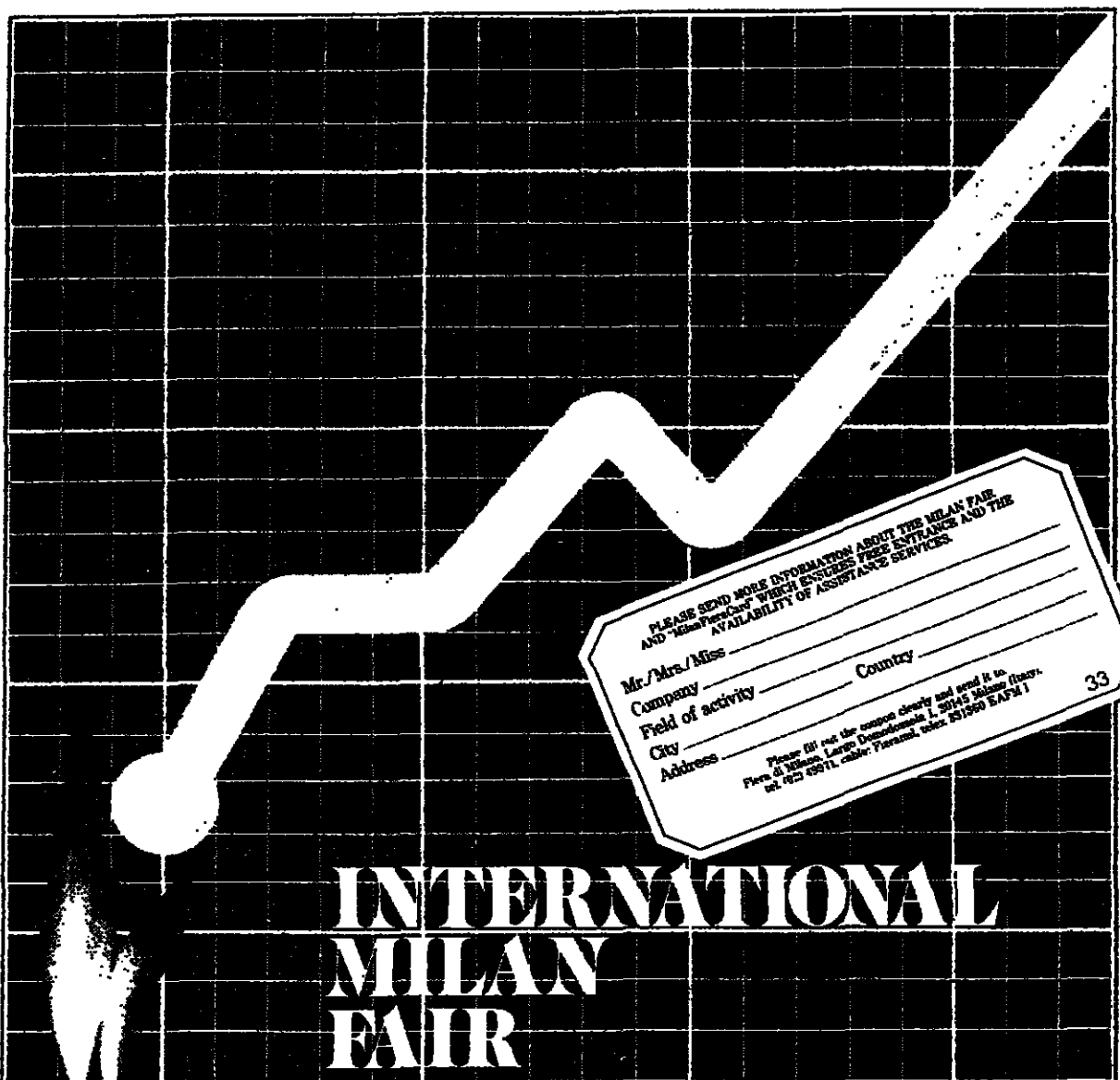
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NYSE Most Active					
Vol.	High	Low	Last	Chg.	
AT&T	3,451	29 1/2	29 1/2	+1/4	
IBM	1,724	125 1/2	125 1/2	+1/4	
Amgen	1,234	10 1/2	10 1/2	+1/4	
Amgen	1,234	10 1/2	10 1/2	+1/4	
Amgen	1,234	10 1/2	10 1/2	+1/4	
Amgen	1,234	10 1/2	10 1/2	+1/4	
Amgen	1,234	10 1/2	10 1/2	+1/4	
Amgen	1,234	10 1/2	10 1/2	+1/4	
Amgen	1,234	10 1/2	10 1/2	+1/4	
Amgen	1,234	10 1/2	10 1/2	+1/4	

Dow Jones Averages					
Open	High	Low	Last	Chg.	
Indus.	1,234	123 1/2	123 1/2	+1/4	
Transp.	1,234	123 1/2	123 1/2	+1/4	
Finance	1,234	123 1/2	123 1/2	+1/4	
Compo.	1,234	123 1/2	123 1/2	+1/4	
Unemp.	1,234	123 1/2	123 1/2	+1/4	
Comp.	1,234	123 1/2	123 1/2	+1/4	

NYSE Index					
High	Low	Close	Chg.		
Composite	1,234	123 1/2	+1/4		
Indus.	1,234	123 1/2	+1/4		
Transp.	1,234	123 1/2	+1/4		
Finance	1,234	123 1/2	+1/4		
Compo.	1,234	123 1/2	+1/4		
Unemp.	1,234	123 1/2	+1/4		
Comp.	1,234	123 1/2	+1/4		

Tuesday's	
NYSE	
Closing	
Vol. of 4 P.M. _____	155,260,000
Prev. 4 P.M. vol. _____	124,888,000
Prev consolidated close _____	165,021,000

Tables include the nationwide prices up to the closing on Wall Street

AMEX Diaries					
Adv.	Decl.	Net	Vol.	Chg.	
Adv.	1,234	123 1/2	123 1/2	+1/4	
Decl.	1,234	123 1/2	123 1/2	+1/4	
Net	1,234	123 1/2	123 1/2	+1/4	
Vol.	1,234	123 1/2	123 1/2	+1/4	
Chg.	1,234	123 1/2	123 1/2	+1/4	

NASDAQ Index					
High	Low	Close	Chg.		
High	1,234	123 1/2	+1/4		
Low	1,234	123 1/2	+1/4		
Close	1,234	123 1/2	+1/4		
Chg.	1,234	123 1/2	+1/4		
	1,234	123 1/2	+1/4		

AMEX Most Active					
Vol.	High	Low	Last	Chg.	
Vol.	1,234	123 1/2	123 1/2	+1/4	
High	1,234	123 1/2	123 1/2	+1/4	
Low	1,234	123 1/2	123 1/2	+1/4	
Last	1,234	123 1/2	123 1/2	+1/4	
Chg.	1,234	123 1/2	123 1/2	+1/4	

12 Month	High	Low	Stock	Div.	Yld.	PE	100 High	Low	Close	Chg.
12 Month	High	Low	Stock	Div.	Yld.	PE	100 High	Low	Close	Chg.
12 Month	High	Low	Stock	Div.	Yld.	PE	100 High	Low	Close	Chg.
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12 Month	High	Low	Stock	Div.	Yld.	PE	100 High	Low	Close	Chg.
12 Month	High	Low	Stock	Div.	Yld.	PE	100 High	Low	Close	Chg.
12 Month	High	Low	Stock	Div.	Yld.	PE	100 High	Low	Close	Chg.
12 Month	High	Low	Stock	Div.	Yld.	PE	100 High	Low	Close	Chg.
12 Month	High	Low	Stock	Div.	Yld.	PE	100 High	Low	Close	Chg.

Dow Lower in Heavy Trading

United Press International
NEW YORK — The stock market finished with mixed results on heavy volume Tuesday after traders took profits in blue-chip issues. The Dow Jones industrial average fell 3.75, to 1,230.79. An advance early in the session took the index close to the 1,240 area, but selling developed at that level as it has many times in the past.

Big Board volume totaled 155.26 million shares, up from the 124.88 million traded Monday.

Before the stock market opened, Citibank and Chase Manhattan in New York announced reductions in their prime interest rate to 10 1/2 percent from 10 percent. Several other banks quickly followed.

A similar reduction was announced by Manufacturers Hanover Trust late Monday.

The Commerce Department said retail sales fell 0.1 percent in December, the first setback since August.

In another report, the Federal Reserve said industrial production in December increased 0.6 percent after seasonal adjustment.

"Most traders and institutions decided to take profits when the market failed to get through 1,240," said Peter Furniss of Shearson Lehman-American Express. He said there were organized selling programs by some institutions late in the session.

The individual investor, Mr. Furniss said, appears content to stay in bonds and money markets for the moment.

Thomas Ryan of Kidder Peabody said the

economic figures were a "touch disappointing." He said the stock market probably is facing a period of "churning and some digestion" but a push through 1,240 might be possible if interest rates stay where they are.

Harry Vilcek of Sato & Co., of Palo Alto, California, said the heavy volume on advancing markets was a sign the stock market was performing better.

He said lower short-term interest rates plus softening oil prices created a favorable environment for a stock market advance.

AT&T was the most active NYSE-listed issue, off 1/4 to 29 1/2. A block of 504,100 shares crossed at 29 1/2.

Gulf & Western was second, up 1/4 to 29 1/2. A block of 1.8 million shares crossed at 29 and another for 1.3 million shares crossed at 29.

Schlumberger was third, adding 1/4 to 37 1/2.

In the oil group, Mobil advanced 1/4 to 26 1/2. Exxon 1/4 to 45 1/2, Indiana Standard 1/4 to 54 1/2 and Royal Dutch 1/4 to 49 1/2.

General Motors was unchanged at 81 while Ford lost 1/4 to 47 1/2 and Chrysler shed 1/4 to 32 1/2.

U.S. Gypsum advanced 1 1/4 to 66 1/2 and National Gypsum added 1 1/4 to 41 1/2. An analyst raised earnings estimates.

In the technology group, IBM lost 1/4 to 124 1/2 and Digital Equipment 1/4 to 110 1/2. Burroughs added 1/4 to 60 1/2, Texas Instruments 1/4 to 124 1/2 and Advanced Micro Devices added 1/4 to 32 1/2. Motorola lost 1/4 to 35 1/2.

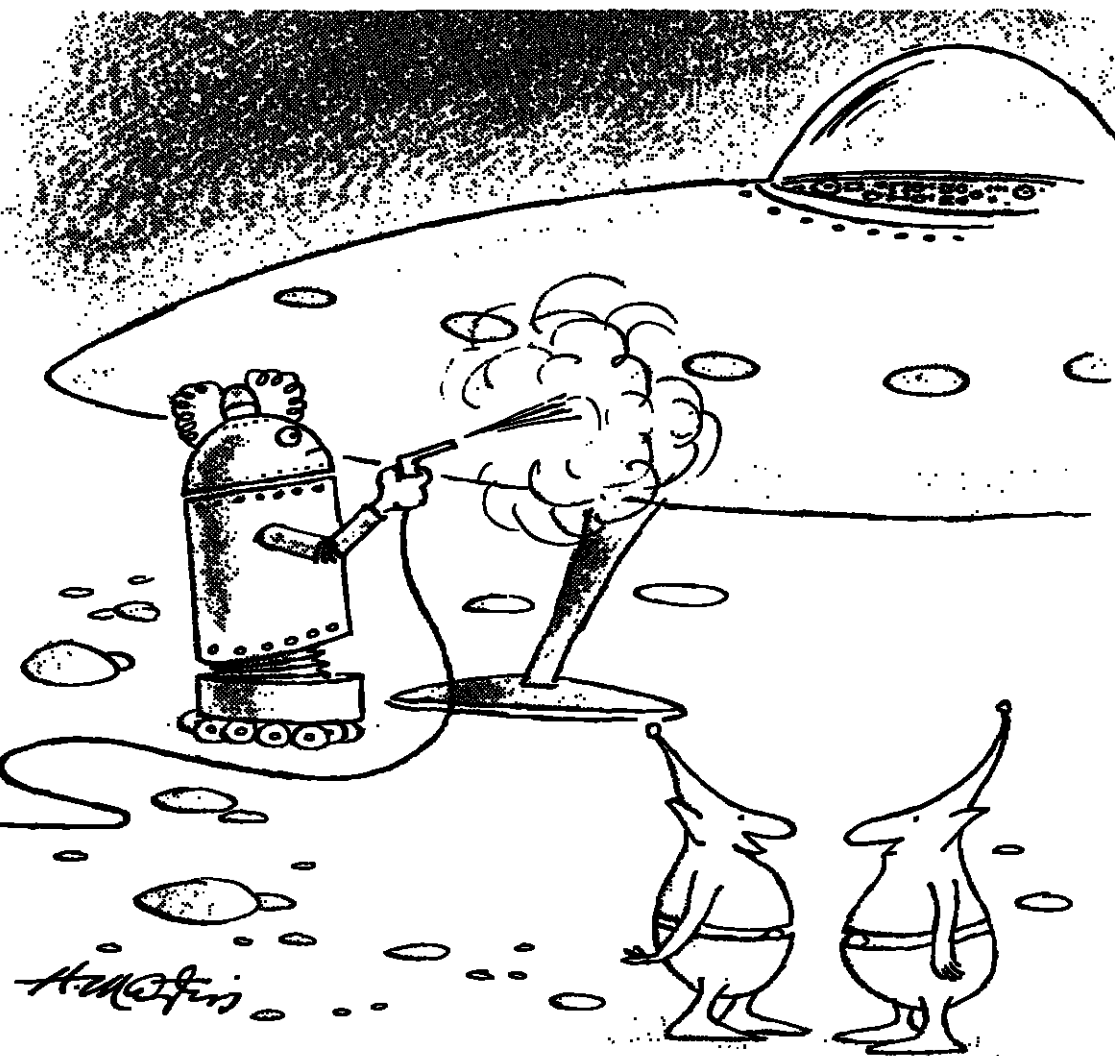
UniDynamics jumped 2 1/2 to 26 1/2. The company has rejected a takeover bid. Piedmont Aviation added 1/4 to 35 1/2.

12 Month	High	Low	Stock	Div.	Yld.	PE	100 High	Low	Close	Chg.
12 Month	High	Low	Stock	Div.	Yld.	PE	100 High	Low	Close	Chg.
12 Month	High	Low	Stock	Div.	Yld.	PE	100 High	Low	Close	Chg.
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12 Month	High	Low	Stock	Div.	Yld.	PE	100 High	Low	Close	Chg.
12 Month	High	Low	Stock	Div.	Yld.	PE	100 High	Low	Close	Chg.
12 Month	High	Low	Stock	Div.	Yld.	PE	100 High	Low	Close	Chg.
12 Month	High	Low	Stock	Div.	Yld.	PE	100 High	Low	Close	Chg.
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12 Month	High	Low	Stock	Div.	Yld.	PE	100 High	Low	Close	Chg.
12 Month	High	Low	Stock	Div.	Yld.	PE	100 High	Low	Close	Chg.
12 Month	High	Low	Stock	Div.	Yld.	PE	100 High	Low	Close	Chg.
12 Month	High	Low	Stock	Div.	Yld.	PE	100 High	Low	Close	Chg.



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WEDNESDAY, JANUARY 16, 1985

INTERNATIONAL MANAGER

Training the Supermanager: More Companies Go it Alone

By SHERRY BUCHANAN
International Herald Tribune

NEW YORK — Because of the increasingly competitive international business climate, big U.S. companies are generally devoting more resources to train their "supermanagers" — the executives who can theoretically do it all. Executive courses are proliferating, and applications for middle- and senior-management courses at top business schools are on the rise.

Increasing numbers of big companies, however, prefer to train their managers themselves, because they think they can do it better. According to Bricker's International Directory of university executive programs, there has been a substantial increase over the past year in the number of in-house training programs. Bricker's listed 35 in-house business training programs last year, compared with almost none two years ago.

By designing training themselves, companies believe they will get just what they need.

There are several reasons for the newfound popularity of such programs, and first among them, some executives say, is the low quality of some of the outside courses.

"You have 20,000 to 30,000 executive-training consultants out there," says James P. Baughman, manager of the management-education program at General Electric Co., a company that has traditionally favored in-house management training. "Ninety percent you turn down out of hand, you can smell them a mile away."

Another reason is inherent in the tailor-made nature of a specific program. By designing their training methods, some companies believe that they will get just what they need.

"Companies have greater control over the curriculum and can focus on the objectives of the company," says Samuel Pond, publisher of Bricker's International and a former dean at the Stanford Business School.

SAYS Mr. Baughman: "We're trying to get programs more in tune with our specific competitive position rather than dealing with generalities."

Another attraction to the individual company approach is that most managers can be trained at once. Many business schools tend to limit programs to only two people per company.

Finally, the actual cost of such a program can be substantially lower per participant.

Most companies now use a mix of business school faculty and of their own managers to do the training. Some prefer to use only their own managers, although managers who have the knowledge and the inclination to teach are still the exception.

Two such exceptions are General Electric and Digital Equipment Corp. "I like teaching, it's the fundamental role of a manager," says Pier Carlo Fallotti, who heads Digital's European operations. "I believe people in line management should teach the rest. Preach and practice is a self-correcting discipline."

Some analysts believe that the GE and Digital exceptions may soothe the rule, at least for large companies who want the tailor-made programs from the best schools. For one thing, mixing in-house and business-school training requires business-school cooperation, and some top U.S. business schools are not interested.

Harvard, Stanford, the University of California at Berkeley, Massachusetts Institute of Technology and the University of Virginia, for example, will not provide tailor-made executive training courses for individual companies.

There are several reasons for that, one being a lack of time.

(Continued on Page 11, Col. 1)

Dollar Weakens In U.S.

Pound Manages A Slight Gain

The Associated Press

NEW YORK — The dollar turned in a mixed performance on world foreign exchanges Tuesday, shattering records early in the day against the currencies of Italy, Spain, South Africa and Sweden, but retreating in later U.S. trading.

The British pound recovered slightly from its all-time low.

Analysts said currency traders have become cautious about the prospects of coordinated central bank intervention against the dollar.

Gold prices were mixed in quiet trading, rising in Hong Kong and Europe but retreating at day's end in the United States. Republic National Bank in New York said gold bullion was bid at \$301.25 a troy ounce.

The pound, which dipped to a record low of \$1.10 in Hong Kong early Monday, has gained strength since the Bank of England raised minimum interest rates by 1.5 percentage points later that day.

In London, the pound was quoted at \$1.1205 in late trading Tuesday, up from \$1.1137 Monday.

Later in New York, sterling rose to \$1.1192 from Monday's late rate of \$1.1125.

Tokyo markets were closed for a holiday. In London, the dollar was quoted at 255.25 Japanese yen, compared with Monday's Tokyo closing of 254.55 yen. But by the end of the trading day in New York, the dollar fell to 254.90 yen from 255.375 yen late Monday.

Dollar rates in New York, compared with late Monday, included: 3.1905 West German marks, down from 3.1965; 2.689 Swiss francs, up from 2.685; and 9.765 French francs, down from a record 9.790.

Ruble Overtakes the Pound
Britain's pound sterling was fixed by the Soviet Union Tuesday at less than one ruble, the first time the Soviet currency has been worth more than the pound, according to Reuters. The pound sank to 99.38 kopeks in Tuesday's official list of exchange rates. In the last list, the pound was worth 1.016 rubles. A year ago it was listed at 1.1307 rubles.

Mazda Chief Gears for a U.S. Test

By Susan Chira
New York Times Service

HIROSHIMA, Japan — A decade ago, Kenichi Yamamoto's future at Mazda Motor Corp. looked bleak. Mr. Yamamoto was the man behind Mazda's rotary engine, the technological wonder but fuel-economy disaster that helped push the company to the brink of bankruptcy.

But now Mr. Yamamoto, 62, is Mazda's new president, chosen Nov. 30, the same day that Mazda announced another fundamental change — its decision to build an assembly plant in the United States, at Flat Rock, Michigan.

According to Mr. Yamamoto, bringing the Flat Rock plant into production is "one of the most important undertakings" on Mazda's agenda. The plant is to cost \$450 million, with construction beginning this spring, and at full employment should produce 240,000 units a year and employ 3,500 people.

By all accounts, the plant is critically important to Mazda's continued success in the U.S. market, where the company now sells 22 percent of its production.

A relatively recent success, Mazda has been impeded by the quotas on Japanese imports. Its share was 173,000 vehicles last year, and analysts say the quotas have stunted Mazda's growth.

The kind of scrappy leadership that served Mr. Yamamoto well in his long struggle with the rotary suggests there will be the force behind Mazda's critical effort in the United States.

Mr. Yamamoto, sitting in a



Kenichi Yamamoto, the new president of Mazda

Mazda reception room under an aerial photograph of Mazda plants, acknowledged that he had also wondered how he got to be president. "I have given this a lot of thought," he smiled. Mr. Yamamoto, a thin man who speaks directly and passionately, offered his own explanation: "In Japanese companies, we often take a group decision and the individual is buried. But the rotary engine required leadership. I

was in charge of it. And I think that if I had not become involved in the rotary engine, I would not be sitting here now."

Mr. Yamamoto's brand of leadership has grown out of a lifetime with Mazda. A 1944 engineering graduate from Tokyo Imperial University, he began as an assembly-line worker in 1946 for Toyo Kogyo Corp.

After a year and a half of

(Continued on Page 11, Col. 1)

Industry Output Up 0.6% in U.S.; Retail Sales Dip

By Jane Seaberry
Washington Post Service

WASHINGTON — Output at the nation's factories, mines and utilities rose 0.6 percent in December — the strongest increase since July. The year ended with industrial production growing 6.4 percent more in 1984 than in the previous year, the Federal Reserve Board reported Tuesday.

In a separate report, the Commerce Department reported that retail sales declined 0.1 percent in December, following a 2 percent rise in November. Sales last year were 10.4 percent above those in 1983, despite a sharp slump this summer. Sales rose at a 12.3 percent annual rate following the summer slowdown, Commerce said.

In its report on production, the Federal Reserve said that output of consumer goods rose 0.6 percent in December. Durable goods production increased 0.8 percent and that for nondurables rose 0.5 percent, the Fed said.

Economists said the two reports, combined with other statistics showing low inflation and slowly rising employment, present a picture of an economy still in flux, between a steep slowdown in the third quarter and expected rebound later this year. Many economists said they expect consumer spending to pick up in 1985.

It's sort of a mixed bag," said Steven Wood, an economist with Chase Econometrics. "It looks like we'll be sitting here in the no-hum stage a bit."

Commerce Secretary Malcolm Baldrige said that sales in the fourth quarter increased at an annual rate of 10.5 percent. "This pickup indicates that spending has resumed its upward course," he said. "Continued growth in incomes indicates another good year ahead for retail business, but gains will be slower than in 1984."

Retailers had hoped for a large increase in sales during the Christmas season to help their profits. However, although volume may have picked up in the holiday buying season, many retailers had to slash prices to reduce inventories, resulting in the low value of December sales.

Excluding the automotive sector, total sales rose 0.5 percent in December and 8.7 percent above sales the previous year, Commerce said. Total sales for 1984 were \$1.3 trillion, 10.4 percent higher than the 1983 total.

Durable goods sales declined 0.9 percent in December. Automotive sales declined for the first time in four months, by 2.3 percent. Furniture sales rose 2.8 percent in December, the fifth consecutive month of increases. Holiday sales were strong in electronics, Commerce said.

Nondurable goods sales rose 0.4 percent in December and were 7.4 percent above sales in December 1983.

The company was formed in April 1977 by the merger of British Aircraft Corp. and Hawker Siddeley's aviation operations. In early 1981, the Conservative government sold about half of BAE to the public for £150 million, or 150 pence a share.

For 1983, BAE reported net profit of £82.3 million on sales of £2.3 billion, compared with a loss of £23.1 million in 1982.

In the first half of 1984, the company had pretax profit of £56.3 million and analysts expect the company to report full-year pretax profit of £115 million to £125 million. For the current year, most estimates range between £150 million and £145 million.

Among the banks announcing the reduction Tuesday were the Bank of America, the largest U.S. bank; Citibank, the second-largest; and Chase Manhattan, the third-largest. Manufacturers Hanover Trust, the fourth biggest U.S. bank, announced its quarter-point decrease on Monday.

The last time a major bank had a prime rate as low as 10.5 percent was for about five months ending in early August 1983. The last time the prime rate was below 10.5 percent was October 1978. The prime rate is the base upon which banks compute interest charges on short-term business loans.

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U.S. Consumers Voice Pessimism

The Associated Press

NEW YORK — Consumer confidence fell sharply in December, the Conference Board said Tuesday. The "disconcerting" drop could mean there has been "recent weakening in the economy which has not yet registered in the standard statistical reports," said a spokesman.

Of 5,000 households surveyed for the monthly report, the number who described business conditions as "good" in December fell to 25.5 percent from 29.6 percent in November, the board said.

Only 20 percent of respondents said they expected business conditions to improve six months from now, compared with 26.1 percent in November.

It's sort of a mixed bag," said Steven Wood, an economist with Chase Econometrics. "It looks like we'll be sitting here in the no-hum stage a bit."

Commerce Secretary Malcolm Baldrige said that sales in the fourth quarter increased at an annual rate of 10.5 percent. "This pickup indicates that spending has resumed its upward course," he said. "Continued growth in incomes indicates another good year ahead for retail business, but gains will be slower than in 1984."

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Currency Rates

Official fixings for Amsterdam, Brussels, Frankfurt, Milan, Paris, New York rates at 4 P.M.

	\$	DM	FF	£	Yen	SFR	Yen
Australia	3.61	11.25	36.85	0.18	124.40	124.40	124.40
Belgium	36.85	11.25	36.85	0.18	124.40	124.40	124.40
Canada	1.32	1.32	1.32	1.32	1.32	1.32	1.32
France	6.55	11.25	36.85	0.18	124.40	124.40	124.40
Germany	3.36	11.25	36.85	0.18	124.40	124.40	124.40
Italy	2.36	11.25	36.85	0.18	124.40	124.40	124.40
Japan	1.32	1.32	1.32	1.32	1.32	1.32	1.32
Netherlands	3.61	11.25	36.85	0.18	124.40	124.40	124.40
Spain	166.67	11.25	36.85	0.18	124.40	124.40	124.40
Sweden	136.76	11.25	36.85	0.18	124.40	124.40	124.40
Switzerland	2.00	11.25	36.85	0.18	124.40	124.40	124.40
UK	0.75	11.25	36.85	0.18	124.40	124.40	124.40
US	1.00	11.25	36.85	0.18	124.40	124.40	124.40

Source: Reuters

Interest Rates

Jan. 15

Source: Reuters

Key Money Rates

Jan. 15

Source: Reuters

Gold Prices

Jan. 15

Source: Reuters

Markets Closed

Financial markets were closed Tuesday in Japan for a holiday.

Fed Asks Shift in Stock Credit Role

By Robert D. Hershey Jr.
New York Times Service

WASHINGTON — The Federal Reserve Board has recommended that the government turn over to the stock exchanges its authority to set limits on the use of credit in stock trading.

If Congress accepts the recommendation, it would give up a function the government has exercised since the Depression.

In a study released Monday, the board said it had "serious doubts" about the need for a continued federal role in setting so-called margin requirements, assigned to the board by Congress in 1934. Nonetheless, it said that some federal body would probably be needed to monitor the margin-setting activities of the private sector.

COMPANY NOTES

Standard Oil To Drop Unit

SEAT loss figures were not available for 1984. In 1983, the company posted record losses of 35.7 billion pesetas (\$210 million).

VW currently has no financial stake in SEAT. However, the two companies have an agreement signed in 1982 that allows SEAT to produce VW Passat and Polo models under license, and to act as a national importer for VW.

In the first 11 months of 1984, the number of VW and Audi cars sold in Spain, including those produced there under license, shot up to 26,000 from 4,600 a year earlier, the spokesman said.

SEAT's sales rose 5 percent to 6 percent of the market's volume of nearly 550,000 cars annually, industry sources say.

Dunlop Unveils Plan to Cut Debt, Reorganize Finances

into ordinary and preferential shares. A further £29 million would be raised from institutional investors by a new share issue.

The creditor banks have also agreed to make a new line of credit available to the company.

Dunlop said the £43 million would be raised through a 15-for-7 share rights issue, at a price of 14 pence a share. Dunlop shares last traded at 25 pence before being suspended.

The letter said Dunlop still owed £435 million (\$486 million) to its major lenders, and Sir Michael said he hoped to make further cuts in borrowings after the rescue plan had gone through.

Dunlop said no dividend will be recommended on the ordinary shares for the year ended Dec. 31, 1984.

If shareholders apply for their full entitlement under the open offer they will hold around 63 percent of the company.

A total of £260 million in revised British borrowing authority is to be made available, the company said.

The New York Times Co. and the Public Welfare Foundation announced that Times Co. had agreed in principle to buy three daily newspapers owned by the foundation. The price and other terms were not disclosed. The papers are The Spartanburg Herald-Journal in South Carolina, and The Tuscaloosa News and The Gadsden Times, both in Alabama.

Via Rail, the unprofitable Canadian passenger railroad, will become a private company, the Canadian government said, after it dismissed the board of directors. The new board will be chaired by Pierre Franche, the current president.

Walt Disney Productions said its new chairman, Michael D. Eisner, received a one-time payment of \$750,000 to join the company and will receive a base salary of \$750,000 annually for five years.

Gold Options

Prices	Feb.	Mar.	Aug.
250	18.00-20.00	26.75-28.75	
300	11.00-12.50	20.25-21.75	27.00-29.00
310	6.00-7.50	14.50-16.00	21.00-22.50
320	2.50-4.00	10.00-11.50	16.50-18.00
350	1.00-2.00	6.75-8.25	12.50-14.00

Gold 309.00 - 309.50

Valeurs White Weld S.A.
1, Quai du Mont-Blanc
1211 Geneva 1, Switzerland
Tel. 31.02.51 - Telex 78.386

Company Earnings

Mazda's president assigned him to head a team to produce a commercial model of the rotary engine. The rotary, invented by a West German engineer but licensed by Mazda, produces power with a rotor and without the pistons of a conventional engine.

At that juncture, two decades ago, the Ministry of International Trade and Industry was putting pressure on small auto makers like Mazda to merge with larger companies to increase their international competitiveness. In effect, the rotary engine was Mazda's rebuttal.

"We had to show we were different; we had to show our distinctiveness," he said.

With the technological problems, environmental standards and the energy crisis of the 1970s that brought about Mazda's own financial troubles, the rotary engine's fate was always uncertain. For their loyalty and perseverance, Mr. Yamamoto's team of 47 engineers became known as the "47 Ronin," after the legendary group of Samurai whose allegiance to their master was so strong that they avenged his

(Continued from Page 9)

"Forty percent of faculty time is spent creating intellectual capital," or forming students, says Hugo Uytendaele, an associate dean in charge of executive education at the Harvard Business School. "The faculty has to have the time to do that."

He added: "We also don't want to be in the business of favoring some people and not others. If we did one executive program for one major bank, then another one would want one. We'd make some people happy but a lot of people would be sad."

There is also the fear that by accepting fees for a company-designed educational program, the university itself might lose a measure of academic freedom.

There remains, however, one main selling point for executive programs at universities: Managers learn from others operating in different countries and industries.

As long as pollution was the auto world's leading concern, the rotary enjoyed considerable appeal. The engine designed by the Mazda team surpassed even the strictest U.S. standards — but got only 10 miles to the gallon. So when energy conservation became a primary concern to auto buyers after the Arab oil embargo of 1973, Mazda was left without a fuel-efficient car. The Mazda rotary fell to 70,000 vehicles from 119,000 in 1970; year after year, inventories accumulated and the company floundered. In 1975, Mazda recorded its largest loss in history, the equivalent of \$57.5 million.

Revenue and profits. In millions. or in local currencies unless otherwise indicated

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For a free copy of "Options on Currency Futures: An Introduction", write or telephone Keith Woodbridge at Chicago Mercantile Exchange, 27 Throgmorton Street, London, EC2N 2AN. (01) 920 0722

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7 $\frac{7}{8}$ % Deutsche Mark Bonds of 1985, due 1995

Offering Price:	100%
Interest:	7½% p. a., payable annually on January 15
Repayment:	January 15, 1995 at par
Listing:	at all German stock exchanges

All of these bonds having been placed, this announcement appears for purposes of record only.

Deutsche Bank
Aktiengesellschaft

Dresdner Bank
Aktiengesellschaft

Commerzbank
Aktiengesellschaft**Westdeutsche Landesbank
Girozentrale**

Bankhaus H. Aufhäuser

ADCA-Bank
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Allgemeine Deutsche Credit-Anstalt
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und Wechsel-Bank
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Bankhaus Gebrüder Bethmann

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Oldenburgische Landesbank
 Aktiengesellschaft
Karl Schmidt Bankgeschäft
 H. Stein
M. M. Warburg-Brinckmann, Wirtz

**Arab Banking Corporation -
Daus & Co. GmbH**

**Badische Kommunale Landesbank
- Girozentrale -**

**Bayerische Landesbank
Girozentrale**

**Berliner Bank
Aktiengesellschaft**

**Bremer Landesbank
Kreditanstalt Oldenburg
- Girozentrale -**

**Deutsche Girozentrale
- Deutsche Kommunallbank -
Comand Ulrich Depper**

Hallbaum, Maier & Co. AG
- **Landkreditbank** -
Georg Hauck & Sohn Bankiers
Kommanditgesellschaft auf Aktien
Bankhaus Hermann Lampe
Kommanditgesellschaft
Landesbank Schleswig-Holstein
Girozentrale
National-Bank
Aktiengesellschaft
Sal. Oppenheim jr. & Cie.
Schwäbische Bank
Aktiengesellschaft
Trinkaus & Burkhart
Westfalenbank

**Bank für Gemeinwirtschaft
Aktiengesellschaft**
**Bayerische Vereinsbank
Aktiengesellschaft**

Berliner Handels- und Frankfurter Bank
Delbrück & Co.

DG Bank
Deutsche Genossenschaftsbank
DSL Bank
Deutsche Siedlungs- und Landesrentenbank
Hamburgische Landesbank
- Girozentrale -
Hessische Landesbank
- Girozentrale -
Landesbank Rheinland-Pfalz
- Girozentrale -
Merck, Finck & Co.

**Norddeutsche Landesbank
Girozentrale
Reuschel & Co.**

**Simonbank
Aktiengesellschaft**

**Vereins- und Westbank
Aktiengesellschaft**

**Württembergische Kommunale Landesbank
Girozentrale**

Chicago Mercantile Exchange									
W. German Mark-25,000 marks, each per mark									
Mar	1/16	1/8	1/4	1/2	3/4	1	1 1/4	1 1/2	1 3/4
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16	16 1/4	16 1/8	16 1/4	16 1/2	16 3/4	17	17 1/4	17 1/2	17 3/4
17	17 1/4	17 1/8	17 1/4	17 1/2	17 3/4	18	18 1/4	18 1/2	18 3/4
18	18 1/4	18 1/8	18 1/4	18 1/2	18 3/4	19	19 1/4	19 1/2	19 3/4
19	19 1/4	19 1/8	19 1/4	19 1/2	19 3/4	20	20 1/4	20 1/2	20 3/4
20	20 1/4	20 1/8	20 1/4	20 1/2	20 3/4	21	21 1/4	21 1/2	21 3/4
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22	22 1/4	22 1/8	22 1/4	22 1/2	22 3/4	23	23 1/4	23 1/2	23 3/4
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25	25 1/4	25 1/8	25 1/4	25 1/2	25 3/4	26	26 1/4	26 1/2	26 3/4
26	26 1/4	26 1/8	26 1/4	26 1/2	26 3/4	27	27 1/4	27 1/2	27 3/4
27	27 1/4	27 1/8	27 1/4	27 1/2	27 3/4	28	28 1/4	28 1/2	28 3/4
28	28 1/4	28 1/8	28 1/4	28 1/2	28 3/4	29	29 1/4	29 1/2	29 3/4
29	29 1/4	29 1/8	29 1/4	29 1/2	29 3/4	30	30 1/4	30 1/2	30 3/4
30	30 1/4	30 1/8	30 1/4	30 1/2	30 3/4	31	31 1/4	31 1/2	31 3/4
31	31 1/4	31 1/8	31 1/4	31 1/2	31 3/4	32	32 1/4	32 1/2	32 3/4
32	32 1/4	32 1/8	32 1/4	32 1/2	32 3/4	33	33 1/4	33 1/2	33 3/4
33	33 1/4	33 1/8	33 1/4	33 1/2	33 3/4	34	34 1/4	34 1/2	34 3/4
34	34 1/4	34 1/8	34 1/4	34 1/2	34 3/4	35	35 1/4	35 1/2	35 3/4
35	35 1/4	35 1/8	35 1/4	35 1/2	35 3/4	36	36 1/4	36 1/2	36 3/4
36	36 1/4	36 1/8	36 1/4	36 1/2	36 3/4	37	37 1/4	37 1/2	37 3/4
37	37 1/4	37 1/8	37 1/4	37 1/2	37 3/4	38	38 1/4	38 1/2	38 3/4
38	38 1/4	38 1/8	38 1/4	38 1/2	38 3/4	39	39 1/4	39 1/2	39 3/4
39	39 1/4	39 1/8	39 1/4	39 1/2	39 3/4	40	40 1/4	40 1/2	40 3/4
40	40 1/4	40 1/8	40 1/4	40 1/2	40 3/4	41	41 1/4	41 1/2	41 3/4
41	41 1/4	41 1/8	41 1/4	41 1/2	41 3/4	42	42 1/4	42 1/2	42 3/4
42	42 1/4	42 1/8	42 1/4	42 1/2	42 3/4	43	43 1/4	43 1/2	43 3/4
43	43 1/4	43 1/8	43 1/4	43 1/2	43 3/4	44	44 1/4	44 1/2	44 3/4
44	44 1/4	44 1/8	44 1/4	44 1/2	44 3/4	45	45 1/4	45 1/2	45 3/4
45	45 1/4	45 1/8	45 1/4	45 1/2	45 3/4	46	46 1/4	46 1/2	46 3/4
46	46 1/4	46 1/8	46 1/4	46 1/2	46 3/4	47	47 1/4	47 1/2	47 3/4
47	47 1/4	47 1/8	47 1/4	47 1/2	47 3/4	48	48 1/4	48 1/2	48 3/4

Den Danske Bank to Open First Branch in W. Germany

LONDON — Den Danske Bank, Denmark's largest commercial bank, plans to open a branch shortly in Hamburg, making it the first major Danish bank to enter the West German market. The move is part of the Copenhagen-based bank's international expansion plan.

Burke spent seven years as a member and vice president of the EC Commission. He resigned effective Jan. 5.

Saatchi & Saatchi Co., the fast-growing British advertising agency, has lost one of its veteran executives, Tim Bell, to Lowe Howard-Spink Campbell-Ewald (Holdings) PLC, a smaller London-based agency. Mr. Bell, formerly chairman of Saatchi's main agency, has

been named chief executive of Lowe Howard-Spink. Mr. Bell was responsible for Saatchi's promotion of Britain's Conservative Party in the past two general elections.

Cokelat-Palmolive Co., the New York-based health-care, cleaning, sports, food and laundry-products concern, has named Barrie M. Spelling vice president, new products and businesses. He previously was based in Brussels, where he was general manager of the company's operations in Belgium. The name of Mr. Spelling's successor has not been announced.

Richard N. Brammer and **Sergio Del Grande** corporate vice presidents. Mr. Brammer will continue as president of Nalco Pacific and Mr. Del Grande as president of Nalco Europe, based in Paris. Nalco is based in Oak Brook, Illinois.

Chase Manhattan Bank of New York has appointed Michael Thorpe to head its travelers' check operations in Europe, the Middle East and Africa. Chase said that this is a new position aimed at strengthening sales of its Visa travelers' checks in these markets. Mr. Thorpe, who is based in London, previously was with American Express Co. as national sales manager for its travelers' check business in the United Kingdom.

Northern Telecom Ltd. has appointed Bruce Tavner managing director of its London-based unit, Northern Telecom PLC, effective Feb. 15. He will succeed Walter Benger, who will become chairman of the London unit, filling a vacancy. Currently, Mr. Tavner is chair-

man and chief executive of Bell Canada International Inc., a unit of Bell Canada Enterprises Inc. Northern Telecom, the Canada-based telecommunications concern, is 52-percent-owned by Bell Canada Enterprises.

Continental Airlines has named Richard Havers to the new post of regional vice president — Europe. Phil Bakes, president of Continental Airlines, a unit of Texas Air Corp. of Houston, said, "The establishment of our new regional headquarters in London reflects a commitment to fully develop Continental's potential in Europe." The carrier has applied for permission to operate a Houston-London service. Mr. Havers was European general manager for British Caledonian Airways.

Swissair said Hans P. Zollinger will take up the post of general manager for the United Kingdom and Ireland Feb. 4. Mr. Zollinger, who currently is based in Stockholm as Swissair's manager for Sweden, succeeds August Weber.

The Associated Press

NEWARK, New Jersey
The president and chief oper-

The president and chief operating officer of People Express Airlines Inc., Harold J. Panitz, has resigned, possibly to start his own company.

A company spokesman in London said Tuesday that there had been "stylistic" differences between Mr. Pareti, one of the co-founders of the discount fare airline, and the carrier's chairman, Donald D. Burr.

Mr. Pareti, 36, said he was leaving, possibly to start his own airline, because "the bulk of the growth at People Express has already occurred." Mr. Boren will assume Mr. Pareti's post as president, the company said, while Gilbert Roberts was to become chief operating officer.

(Continued from Page 9)

relatively little concern, however, for protecting brokers and other lenders because experience after	other credit or trading in other financial instruments, such as options, for which the margin requirement is lower.
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the 1929 stock market crash showed that most had been able to avoid serious losses.

The Fed analysts said that the diversion-of-assets argument was invalid because stock market transactions simply facilitate the trans-

The money does not disappear; the buyer's money simply moves to the bank account of the seller. And, in any event, the Fed said, direct use of stock market credit has become much less important relative to a second mortgage on a house to increase buying power.

As for market volatility, Mr. Volcker said that 30 years of work by various researchers had found that credit-financed trading had little influence on stock prices.

to the size of the economy and the securities markets than 50 years ago.

The Fed acknowledged that margin requirements, which have been set at fairly high levels, do provide some protection for unsophisticated investors. But it noted that there were alternative ways of specifying margin requirements, such as maintaining a high — at least relative to alternative vehicles — it might be assumed that the various exchanges, if given the authority, would set them at a lower level. This would tend to increase trading in stocks, probably offset to some extent by a reduction in options trading.

Jan 15 11

NASDAQ National Market Prices

S&P 500		High Low 3 P.A. Corp.		S&P 500		High Low 3 P.A. Corp.	
A		20.23		20.23		20.23	
A		20.23		20.23		20.23	
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A		20.23		20.23		20.23	
A		20.23		20.23		20.23	
A		20.23		20.23		20.23	
A		20.23		20.23		20.23	
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Jan. 15

Dollar

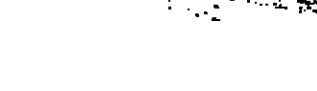
[illegible]

INTERNATIONAL FUNDS
Quotations Supplied by Funds Listed

15 January 1985

The net asset value quotations shown below are supplied by the Funds listed with the exception of some funds whose quotes are based on issue prices. The following marginal symbols indicate frequency of quotations supplied for the IHT:

[illegible]



SPORTS

Rookie Jordan Brilliant As Bulls Down Nuggets

Compiled by Our Staff From Dispatches
CHICAGO — It happened again Monday night. Michael Jordan had his best game of the year. It's hard to believe, but the brilliant Chicago rookie is improving with each contest.

In his first game since accomplishing the National Basketball Association's most awesome feat — setting out Richmond Coliseum, the Cleveland Cavaliers' home court — Jordan recorded 35 points, 14 rebounds and 15 assists in leading the Bulls to a 122-113 triumph over the Denver Nuggets. It was the first triple-double of Jordan's career.

In the night's only other game, Washington beat Cleveland, 101-91.

Although entering the contest as the NBA's No. 7 scorer, Jordan showed the superstar's quality of dominating without necessarily putting points on the board. "They kind of didn't pay much attention to me at first, so I passed off and got some boards," said Jordan, who had only one point at halftime.

Said Denver Coach Doug Moe: "We let them come inside too damn easy. That really goofed us up. So we had to turn our defense around — and Jordan went crazy."

The Bulls extended a 54-48 half-time advantage to 72-63 midway in the third quarter. But Alex English tallied 12 of his 25 points in the period as Denver took an 87-86 lead into the final quarter.

Behind Jordan and Steve Johnson, who had 22 points, Chicago built up a 105-97 bulge, but with 6:02 remaining Denver cut the deficit to 105-102. In the next three and a half minutes the Bulls went on a 10-4 tear — Jordan hitting for six straight points — to put the game out of reach.

Chicago Coach Kevin Loughery hardly minced words about Jordan. "He has all the ability that made Jerry West one of the greatest players in the history of the NBA. He participated in every phase of the offense — when he wasn't scoring, he was giving out assists or rebounding to lead the break."

Loughery praised West, the outstanding all-around former Los Angeles Lakers, as a great rebounder. "But after tonight's performance," he said, "there is no doubt in my mind that Jordan compares favorably in every sense of the word."

"It was really a solid win when you consider we had two starters, Orlando Woolridge and Caldwell Jones, out of the lineup."

"But Jordan's play showed me how well one player can control a game."



Michael Jordan returns to earth Monday after a slam dunk.

Coping With Super Bowl Hype

By Dave Anderson
New York Times Service

NEW YORK — It's almost out of its teens, but it remains the spoiled rich kid of sports, obsessed by its birthday parties that get more extravagant each year. Super Bowl XIX will present the Miami Dolphins and the San Francisco 49ers Sunday in Palo Alto, California, almost as an afterthought to the hype. But by now, coaches appear to have learned how to cope with the hoopla of Super Bowl week.

"I want our players to get caught up in all that," Don Shula says. "They've earned it and they should enjoy it. But set aside enough time to get their work done."

Shula should know. This will be his sixth Super Bowl trip, the most for a National Football League coach. As the Dolphins coach, his record is 2-2, and as the Baltimore Colts coach before that he was embarrased by the 16-7 loss to the Jets in Super Bowl III.

"I think you learn from every year you're there," he said. "Don't ask me to talk about that Jet game," he said with a hard smile, "but I learned through the years that if you rebel or reject it or let it bother you, it'll turn what should be an enjoyable time into a miserable time."

Shula learned the hard way, especially on a drizzly Monday before that game when he let Joe Namath bother him. For more than a week, the New York Jet quarterback had been saying that Darley Lamondia of the Oakland Raiders was a better quarterback than Earl Morrill, who had guided the Colts to the NFL title as the replacement for the injured Johnny Unitas. And when Shula was asked that day

about Namath's statement, he glared.

"I don't know how Namath can rap Earl," he said. "Anyone who doesn't give Earl the credit he deserves is wrong." The veins in Shula's neck had thickened. The firmness of his square-jawed face betrayed his controlled anger.

"But I guess," he said with a sharp edge in his voice, "Namath can say whatever the hell he wants."

When the Jets won, Shula had learned not to overreact to an opposing opinion. Three years later, the Dolphins lost Super Bowl VI to the Dallas Cowboys, 24-3, and Shula was unfairly branded as a coach who couldn't win the big one. But the next year the Dolphins completed their perfect 17-0 season with a 14-7 victory over the Washington Redskins in Super Bowl VII.

When they arrived for Super Bowl VIII against the Minnesota Vikings in Houston the following year, Shula had learned to relax. The morning of his first formal news conference, he looked out at the assembled members of the news media and smiled.

"Good morning, Breakfast Clubbers," he said.

By having a team in three of the first eight Super Bowl games, Shula had to learn how to handle what George Allen called "distractions." In his only Super Bowl appearance, the Redskins coach complained about how the daily news conferences were disrupting his preparation.

"For the first time in my career as a coach," Allen announced at the Friday news conference for the two head coaches, "I'm missing practice."

The more Allen talked about distractions, the more his players were distracted; the more uptight the coaches got, the more uptight the players got. One day that week, Allen dispatched an aide to the Los Angeles Coliseum to check the angle of the sun during the hours the game would be played. It didn't help. The next year it didn't help the Vikings for Grant to complain about the locker room at their practice site.

That year some of the Dolphins players also had a complaint. The club policy was to take players' wives to Houston, but some of the single players were annoyed because of the specified wives only, not girlfriends.

Most teams now offer to pay for the transportation and hotel of a player's "guest" over the Super Bowl weekend. But when the Vikings lost that game, coaches realized that most of the losing Super Bowl teams had been the loudest complainers. As soon as the Pittsburgh Steelers qualified for Super Bowl IX, their first appearance in the game, Chuck Noll established the outlook for his team and staff.

"Look on this game as a reward," he told them. "Let's go to

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Dolphin Coach Don Shula, deplaining in San Francisco.

New Orleans and have a good time."

No team has ever had a better time at the Super Bowl than the Steelers — four appearances, a record four victories. Instead of resisting the hype and hoopla, the Steelers seemed to relish it. In those years, photo day was on Monday, followed by mandatory morning news conferences on Tuesday, Wednesday and Thursday for the players at their respective hotels.

Since then, the Super Bowl schedule has been revised. The two teams now put on uniforms for photo day on Tuesday, then submit themselves Wednesday and Thursday to interviews. The two coaches also appear Friday at Super Bowl headquarters, which this week is at the Hyatt Embarcadero in San Francisco. While the Dolphins will stay and practice in Oakland until Saturday, the 49ers will be working at their usual Redwood City complex.

When the 49ers players arrived at their Michigan hotel for Super Bowl XVI three years ago, they were met by a uniformed bellhop with silver hair. Bill Walsh had borrowed a bellboy uniform and created the desired effect — a laugh. And his 49ers won. As much as anything else, a Super Bowl coach must keep his players from taking the hype and hoopla too seriously.

To say the Super Bowl is only a football game is an oversimplification. By next Sunday, it will be only a football game. But until then, it's a happening of hype that creates an unnatural game.

And for everybody but the players and coaches, the Super Bowl is really one big party — one party after another, if not several simultaneously. Unlike most NFL club owners, Al Davis, the managing general genius of the Los Angeles Raiders, doesn't attend a Super Bowl unless his team is competing. After the Raiders had lost an American Football Conference championship game, he was asked if he was going to the Super Bowl, anyway.

"No," he said with a shrug. "I don't like parties."

To an Outlander Feeling European Winter's Chill

International Herald Tribune

LONDON — Open letter to Fandi Ahmad, a young Singaporean soccer international who is suffering a second, harsh European winter in the Netherlands, where he plays, when fit, with FC Groningen. Dear Fandi:

We may never meet and I have only glimpsed your talents through the keyhole of television — notably your match-winning display against Inter Milan in 1983.

But because your quality was so special that day, I felt moved to address to read in the Straits Sunday Times that you, whose pure soccer skill may never be equaled by another Singaporean, felt ashamed — like a wounded samurai warrior — to face your home public during the holidays after a bad year in the Netherlands.

Are you familiar with Jesper Olsen's problems with Manchester United? Being Scandinavian, he is not perturbed by alien coldness. He needs no special potions rubbed into his feet and thighs, and you might think that because he is "world-renowned Olsen cannot know your doubts, your fluctuations in form, confidence and physical well-being."

Fandi, you would be so wrong. Like you, Olsen has fair faced with vulnerability.

He is dogged by injuries arising in part from having a physique not dissimilar to your own. His slight frame has been kicked by defenders who would prefer that an independent little foreigner did not make money out of them.

He is having to adjust to methods more physical, to live with the loneliness of a bachelor boy in sumptuous five-star isolation.

Indeed, in one respect, Olsen's pressure is greater. His agent in Copenhagen, a father-figure the way Jap Reinders was to you when you first arrived in Europe, negotiated a deal that cost Manchester United more than a million dollars — \$700,000 to his previous master, Ajax of Amsterdam, and \$3,000 a week for two years for Olsen.

Nice cushion, nasty millstone. For the benefit of others who might read this, forgive my explaining more about Olsen; things that you, an adopted player on this continent, doubtless know.

Come March Olsen will turn 24, although he retains the looks, enthusiasms and instincts of a schoolboy. Those qualities, it seems to me, you share, and an almost childlike wonder at scoring Roy of the Rovers goals — yours against Inter Milan and Olsen's against Feyenoord that same winter.

Remember his? Olsen ran 35 yards to outwit five Feyenoord defenders (not one of them laying a boot on him, much less depriving him of the ball), and then scored cheekily from what seemed an impossible angle.

I can still see defenders lunging in, and missing. I can see two of them clashing like cymbals as his burst of acceleration, like a cheetah's, carries him clear. But I need video to remind me that the masterpiece took precisely eight touches on the ball and 6.3 seconds to execute, and would require 21 separate frames to pinpoint shifts of balance and direction.

It was what Pelé calls "the beautiful art" — creating something out of nothing. And that creativity reveals something precious about Olsen and about you. You both come from small nations where robotlike coaching is, thankfully, at a minimum. Ask yourself why you shot against Inter from more than 20 meters. Or why Olsen took on half of Feyenoord's team.

"From the beginning in Denmark, I played this way," says Olsen. "I always like to have the ball and pass a man." One man, yes; but live? Olsen smiles through snaggled teeth. He didn't realize there had been five, just as you took no measurement against Milan. If either of you had stood up to me, you share, and an almost childlike wonder at scoring Roy of the Rovers goals — yours against Inter Milan and Olsen's against Feyenoord that same winter.

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figure the odds and still gone ahead, you are either absolute geniuses (and maybe you are) or selfish in the extreme. Percentage theory has it that you both attempted things of outrageous brilliance while others were better placed to score.

Well, the day players like Ahmad and Olsen obey that law will be my last as a soccer spectator.

Meanwhile, arriving at Manchester with that club's 50,000 faithful dreaming that that great entertainer George Best, Olsen is on paper a flop.

Where is Olsen when United needs him? He has scored twice with half the season gone. His left ankle, damaged by a Hungarian goalkeeper two years ago, is still dodgy after microsurgery and a plastic insertion. A thigh muscle has gone as well, and for five games now his absence has been taken for granted.

Oh, he has thrilled Manchester periodically. Olsen is incapable of playing 90 minutes without leaving at least one moment to cherish. But among Englishmen who are more long-distance runners than ball artists, he was always likely to be too brittle in the 60-game slog through ice and mud and snow.

All I'm saying, Fandi, is that you are not alone; that even one so skilled as Olsen — whose country scatters dozens of exports — faces challenge that only perseverance, self-belief and a share of fame for fame's favor will conquer.

Olsen's ultimate fulfillment may come other than with Manchester United. Yours may be destined to arrive after Groningen. But you both have the essential thing: talent.

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Olson says if he were a defender he'd tackle hard against a player like himself. But he is learning that, although Manchester's heart is lost to fast attacking play, the manager and coach demand sweat and toil, with forwards "tucking back" to protect the defense. When the going gets tough, Olsen is likely to be withdrawn, as has already twice happened in Manchester red.

I am not suggesting Olsen will fail Manchester United, or that Arsenal, which rejected him as a teenager because he looked too skinny and frail, can crow. (Arsenal's own \$800,000 purchase, Charlie Nicholas, has endured a wretched year trying to acclimatize, and he moved a mere 400 miles south of a border supposedly between the same people, the English and Scots.)

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SPORTS BRIEFS

Hurdler Moses Will Plead Not Guilty

LOS ANGELES (AP) — Two-time Olympic gold medalist Edwin Moses will plead not guilty to misdemeanor charges of soliciting a prostitute and possessing a small amount of marijuana, his attorney said Monday.

Harold Lipton said Moses never intended to engage in sex with a prostitute and that he was a victim of entrapment when police targeted him early Sunday after they saw his 1985 Mercedes, which carries "OLYMPYX" California license plates. Released on his own recognizance, Moses is to be arraigned Jan. 29.

"My feeling is that someone checked the license plates, found out that Edwin owned the car and thought he would be a good catch," the attorney said.

Simmons Resigns as Head of USFL

NEW YORK (AP) — Chet Simmons resigned Monday as commissioner of the United States Football League, the league announced. No reason was given, but some owners have expressed dissatisfaction with Simmons's failure to negotiate a new network television contract.

The man rumored to be in line for the job, Los Angeles attorney Harry Usher — executive vice president and general manager of the Los Angeles Olympic Organizing Committee — arrived in New York to "continue a dialogue" about the job with the league's club owners.

Austrians 1-2 in Cup Giant Slalom

ADELBODEN, Switzerland (AP) — Hans Enn, a nine-season veteran, retained a first-run margin and edged fellow Austrian Hubert Strolz, seven one-hundredths of a second to win the Adelboden World Cup giant slalom ski race here Tuesday.

Enn, 26, had a total clocking of 3:07.14 seconds for two runs down the Kneusbergl course in scoring the first victory of the season for Austria.

NHL Suspends Messier for 10 Games

MONTREAL (AP) — Center Mark Messier of the Edmonton Oilers has been suspended for 10 games as a result of a fight in which defenseman Jamie Macoun of the Calgary Flames suffered a fractured cheekbone in a National Hockey League game on Dec. 26.

Brian O'Neill, the NHL executive vice president, announced the suspension Monday and said it was to take effect immediately.

Navratilova Wins 100th Tournament

WASHINGTON (UPI) — Martina Navratilova won the 100th tournament of her tennis career Monday night, routing Manuela Maleeva, 6-3, 6-2, in the final of a \$150,000 tournament in New York.

Navratilova, the top woman player in the world, needed only 65 minutes to down the 17-year-old Bulgarian, who is ranked sixth in the world.

SCOREBOARD

Hockey

National Hockey League Leaders

National Hockey League leaders through Jan. 15:

Overall	G	A	P	Pl	Pts
Gretzky, Edmonton	41	83	13	1	129
Kurri, Edmonton	37	79	12	1	125
Hewson, Winnipeg	37	67	12	1	125
S. Sather, N.Y.	34	61	12	1	125
Kerr, Philadelphia	34	61	12	1	125
Dionne, Los Angeles	34	61	12	1	125
MacLean, Winnipeg	29	59	12	1	125
Gorham, Detroit	29	59	12	1	125
Tassell, N.Y.	29	59	12	1	125
Nisson, Calgary	21	37	10	1	125

Power-Play Goals

GP	PP	PPG
Kerr, Phil	41	11
Balard, Phil	39	10
Andrews, Phil	39	10
Crowder, Phil	39	10

Short-Handed Goals

GP	SH	SHG
Gretzky, Edm	41	11
Kurri, Edm	37	10
Praprotnik, Phil	39	10
Devorpe, Phil	39	10

